

**Maharashtra State Electricity Distribution Co. Ltd.
Consumer Grievance Redressal Forum
Nagpur Urban Zone, Nagpur**

Case No. CGRF(NUZ)/045/2010

Applicant : M/s. S.N. MALU Pvt. Limited,
Village - Selu,
Tahasil - Kamptee,
Dist. - Nagpur.

Non-applicant : MSEDCL represented by
the Nodal Officer-
Superintending Engineer,
Nagpur Rural Circle, Nagpur.

Quorum Present : 1) Smt. Meera Khadakkar
Chairman,
Consumer Grievance Redressal
Forum,
Nagpur Urban Zone,
Nagpur.

2) Smt. Gouri Chandrayan,
Member,
Consumer Grievance Redressal
Forum,
Nagpur Urban Zone,
Nagpur.

3) Smt. K.K. Gharat
Member Secretary,
Consumer Grievance Redressal
Forum, Nagpur Urban Zone,
Nagpur.

(ORDER Passed on 12.07.2010)

The present grievance application has been filed on dated 15.06.2010 under Regulation 6.4 of the Maharashtra Electricity Regulatory Commission (Consumer Grievance Redressal Forum &

Electricity Ombudsman) Regulations, 2006 here-in-after referred-to-as the said Regulations.

1. The applicant consumer's company is situated at village Seloo, Tahsil Kamptee, Dist. Nagpur. The nature of connection is HT industrial with consumer no. 410039006960 & Contract Demand 224 kVA. The Company has applied for additional load of 250 kVA on dated 27.08.2008 at the office of non-applicant. The non-applicant had sanctioned 250 kVA additional load vide sanctioned order dated 30-01-2009. The applicant has paid the requisite amount as demanded by the non-applicant for increase in load and informed to non-applicant for completion of work on dated 07.04.2010. But the non-applicant has verbally refused to execute the agreement for grant of load sanction on the grounds that the validity of load sanctioned order has been exhausted. The applicant has again submitted his request letters to the non-applicant on dated 10.05.10 & 04.06.10 to execute the agreement for load sanction as he did not want to suffer any financial losses. After that the non-applicant has issued a letter dated 11.06.10 to applicant stating that the validity period of load sanctioned order has been exhausted, hence execution of agreement cannot be done and advised to reapply for sanctioning the same additional load.

Aggrieved by this the applicant has filed its grievance in the Forum on dated 15.06.2010 and requested to Forums that :

- a. To direct the non-applicant to issue final order for additional load immediately.
 - b. To give relief for the financial losses incurred (monthly interest and production loss) due to delay in sanctioning additional load.
2. The non-applicant has filed his reply on dated 03.07.2010. The non-applicant has admitted that the applicant had demanded additional load of 250 KVA and the same was sanctioned vide order dated 30.01.2009, with a demand note of Rs.2,92,476/-.

The non-applicant has further submitted that the consumer has paid the amount of demand of Rs.2,92,476/- vide receipt no. 0156066 dated 16.07.2009 i.e. within the validity period. Thereafter as per clause (i) of load sanctioned order, the consumer has to complete the work and get ready to receive the power within period of six month after the necessary payments have been made.

But the applicant has made payment on 16.07.2009 and informed his readiness on 21.04.2010 i.e. after 8 months from the date of payment. Therefore as per the clause (i) of sanctioned order the validity period for executing the agreement has been elapsed and hence for early release of additional load, the applicant has to be reapply.

3. The matter was heard in the Forum on dated 05.07.2010. Both the parties were present, Shri V.B. Setty, A.E. NRC has

presented the non-applicant's side, whereas Shri Shirish Madhukar Tak was present as consumer's representative.

Shri S. M. Tak has informed to Forum that the applicant has deposited the requisite amount within time limit and after the receipt of load sanction order he had purchased CT unit which was tested by Competent Authority of the non-applicant.

4. The applicant has further submitted that the applicant was given agreement form on dated 21.04.2010. The applicant thereafter approached the Superintending Engineer for execution of the agreement. However in-spite of repeated request the agreement was not executed.

The applicant further continued that he has taken all the steps for releasing the additional load and completed all the formalities. Hence the non-applicant cannot deny release of additional load to the applicant. The applicant has prayed to release order for additional load immediately. The applicant has also prayed for compensation of financial losses incurred on account of delay in releasing the additional load.

5. The non-applicant has presented his side by stating that it was mentioned in the sanctioned letter dated 30.01.2009 that the validity of these sanction letter is for a period of six months from the date of issue of the letter. However the validity period was increased vide the departmental circular no. 549 for a period of 12 months instead of 6 months. Further the time to show

readiness to receive the power start after the requisite payment is made and lapse after six months from the date of payment.

The applicant has paid the requisite amount on dated 16.07.2009 but informed to the non-applicant on dated 21.01.2010, hence the applicant was rightly informed that the validity period of the sanctioned order was exhausted. The non-applicant has admitted that the applicant was advised to re-apply for sanction of additional load. The non-applicant has also admitted the applicant has approached the Superintending Engineer NRC many times, at that time he was orally informed that the agreement cannot be executed as validity period was over. On this ground, the non-applicant has requested that the consumer application should be dismissed.

6. The Forum has heard both the parties. It appears from the record as well as from the argument of both the parties that the applicant has applied for additional load on dated 27.08.2008. The load was sanctioned by the non-applicant on dated 30.01.2009 with the condition that the sanctioned is valid for a period of six months from the date of issue. Again the non-applicant himself admitted that the validity period has been increased from earlier period of six months to 12 months. The applicant has paid the requisite amount on dated 16.07.2009 which was within the validity period. Also the non-applicant has issued agreement form on 21.04.2010 which shows non-applicant's willingness to execute the agreement. The CT unit which was purchased by the applicant was tested by the

non-applicant's Officer. It is thus clear that the applicant has completed the formalities for release of additional load.

7. As per MERC (Electricity Supply Code & Other Conditions of Supply) Regulations, 2005 Section 6.8 "The Distribution Licensee shall increase or reduce the contract demand/sanctioned load of the consumer upon receipt of an application for the same from the consumer:

Provided that where such increase or reduction or Contract Demand / sanctioned load entails any works, the Distribution Licensee may recover expenses relating thereto in accordance with principles specified in Regulation 3.3 (Recovery of Expenses for Giving Supply), based on the rates contains in the Schedule of Charges approved by the Commission under Regulation 18".

From this, the expiry of validity period cannot be the reason for rejection of application after making payment and fulfilling all the formalities of enhancement of load by the applicant. Also during hearing non-applicant has admitted that there is no technical difficulty for enhancing the load.

8. The applicant has prayed for compensation for financial losses incurred due to delay in load sanction. But during hearing the applicant did not make any comments for compensation and did not produce any documentary evidence about financial losses incurred to him. Hence, the applicant's prayer for compensation is not

considered.

After considering the documents on record as well as the argument of both the parties, following order is passed.

ORDER

The applicant's application is partly allowed.

- 1) The non-applicant is directed to issue release order for additional load within the period of 8 days.

The non-applicant shall carry out this order and report compliance to this Forum on or before 12.08.2010.

Sd/-
(Smt.K.K.Gharat)
Member-Secretary

Sd/-
(Smt.Gauri Chandrayan)
Member

Sd/-
(Smt.Meera Khadakkar)
Chairman

Member-Secretary
Consumer Grievance Redressal Forum,
Maharashtra State Electricity Distribution Co.Ltd.,
Nagpur Urban Zone, NAGPUR.