

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

Case No. CGRF(NUZ)/159/2006

Applicant : Shri Rajendraprasad Mahadeorao
Khutate,
At Ward No. 11, Bus Stand,
Narkhed, Tal. Katol,
Dist. Nagpur.

Non-applicant : MSEDCL represented by
the Nodal Officer-
Executive Engineer,
Katol Division, NUZ, MSEDCL,
Nagpur.

Quorum Present : 1) Shri S.D. Jahagirdar,
Chairman,
Consumer Grievance Redressal
Forum,
Nagpur Urban Zone,
Nagpur.

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

3) Shri S.J. Bhargawa
Executive Engineer &
Member Secretary,
Consumer Grievance Redressal
Forum, Nagpur Urban Zone,
Nagpur.

ORDER (Passed on 28.11.2006)

The present grievance application has been filed on 16.10.2006 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.

The grievance of the applicant is in respect of non-conversion of his single phase meter into three phase meter and in respect of non-applicant's allegedly improper and incorrect action of asking the applicant to give consent and agree to bear the cost of erection of a 63 KVA transformer alongwith 15% supervision charges.

The facts of the case, in brief, are as under :-

The applicant owned a house, being house no. 1692 and 1693 at ward No. 11 at Narkhed, Tq. Katol, Dist. Nagpur. This house was having a single phase electric connection vide consumer no. 426060061340. The applicant constructed a three storied building on this site. He applied to the non-applicant for conversion of his existing single phase meter connection into three phase connection pertaining to certain areas on the first and second floors on this building. In that, the load applied for three phase connection was 2.81KW or domestic use and 2.54KW for commercial purpose. On receipt of the applicant's request application, the area was surveyed by the non-applicant and the Assistant Engineer, Narkhed S/Dn., MSEDCL informed the applicant by his letter, being letter no. 477 dated 18.05.2006, that considering the load requirement of the entire building constructed by the applicant as assessed on the basis of the sanctioned map produced on record by the applicant, there is a need to install a new 63 KVA transformer and further that the existing near-by transformer is not in a position to

cater the load requirement of the applicant's building. A consent was, therefore, sought for from the applicant for bearing the cost the transformer alongwith consent for payment of 15% supervision charges under the Outright Contribution Scheme. The applicant, thereupon, informed the non-applicant that the proposal under ORC Scheme will not be applicable to him since he has only sought for conversion a single phase existing connection into a three phase connection with increase of load. He, therefore, refused to give his consent for bearing the cost of the transformer and 15% supervision charges. Since the applicant failed to give his consent to the proposal, his request has remained in pendency. Aggrieved by this, the applicant approached the Internal Grievance Redressal Cell (in short the Cell) by filing his complaint dated 22.08.2006 under the said Regulations. The Cell, upon enquiry and hearing, passed an order on 07.09.2006 rejecting the applicant's complaint application. The Cell held that it is not possible to supply electricity to the applicant's premises unless a new transformer is erected and that the applicant will have to pay the amount of the demand note to be prepared under the ORC Scheme and also the prescribed supervision charges etc. It is against this decision of the Cell that the applicant has filed the present grievance application under the said Regulations.

The matter was heard by us on 04.11.2006 and 23.11.2006.

The applicant's case was presented before us by his nominated representative one Shri A.K. Pande.

It is the contention of the applicant's representative that the applicant's load requirement asked for by him was only 2.81 KW for domestic use and for 2.54KW for commercial purpose and that the

existing nearby transformer can very well cater this need. He further stated that the applicant has already sold out some shops / rooms in the building constructed and owned by him and that it is improper to take into consideration the entire electricity load of the building constructed by the applicant while considering his request for a limited load. It is because of this situation that the applicant refused to submit his consent to pay the cost of the proposed 63 KVA transformer and also the 15% supervision charges to the non-applicant.

He quoted Commercial Circular, being Circular no. 43 of the non-applicant Company, issued on 27.09.2006 and laying his emphasis on the instructions laid down in para (6) of this Circular, he vehemently argued that the MERC has not permitted recovery of service line charges from the prospective consumers except in cases of consumers requiring dedicated distribution facility and further that the cost towards infrastructure from delivery point on the transmission system to distributing main shall be borne by the Company.

He is of the view that the cost of transformer in the instant case amounts to infrastructure cost and the same cannot be recovered from the applicant.

He added that the existing nearby transformer can very well take the applicant's proposed load. According to him, it is improper on the part of the non-applicant to ask for his consent for bearing the cost of the transformer in as much as the applicant's requirement of load is only 2.81 KW and 2.54 KW respectively for domestic and commercial usages.

Commenting upon the Cell's order, the applicant's representative strongly contended that the authority cited by the Cell

in terms of Regulations 3.3.1 and 3.3.4 of the MERC (Electricity Supply Code and Other Conditions of Supply) Regulations, 2005 here-in-after referred-to-as the Supply Code Regulations is un-called for. The non-applicant is not authorized to recover the expenses for the proposed 63 KVA transformer.

He lastly prayed that the Cell's order may be quashed and the applicant's request for conversion of his single phase electric connection into three phase connection for the applicant's limited load requirement may be granted.

The non-applicant has stated in his parawise report that the load requirement of the building constructed and owned by the applicant was rightly assessed at 60 KW after due spot inspection and detailed verification of the existing electric points in the constructed building. He has enclosed a detailed load sheet in support of his claim. He further pointed out that the existing nearby 200 KVA transformer is already overloaded and that this transformer will not be a position to take the load of the building constructed by the applicant. The load requirement of the building is about 60KW.

While giving further details of the existing load on this 200 KVA transformer, the non-applicant submitted that the I.P. load serviced by it is 87.65 KW, DLF load is 95.5 KW, CLF load is 14.25 KW & Street light load serviced by it is 14 KW.

According to him, the cost of the new 63 KVA (50KW) transformer would be around 3.50 lakhs which the applicant will have to bear. In addition, the applicant will have to pay 15% supervision charges under the ORC Scheme if the applicant gives his consent to bear the cost of the transformer.

He added that unless the applicant gives his consent for carrying out this work, it will not be possible to grant the applicant's request.

The non-applicant relied upon Regulation 3.3.4 of the Supply Code Regulations and contended that the distribution licensee is authorized to recover the expenses meant for erection of a new transformer in terms of this Regulation. He supported the detailed order passed by the Cell and argued that there is no substance in the arguments advanced by the applicant's representative.

He lastly prayed that the applicant's grievance application may be rejected.

In the instant case, the only point that needs to be considered and decided is whether there is a need for augmentation of the existing distribution system and if so, extent thereof.

The applicant has disputed the non-applicant's proposal of augmentation of the existing distribution system since, according to him, his load requirement is meager and can very well be accommodated by the existing nearby transformer while the non-applicant has stressed that the existing 200 KVA transformer will not be in a position to take the load of the building constructed & owned by of the applicant and that the applicant will have to pay for the cost of the new 63 KVA transformer under ORC Scheme.

The Cell, in its order challenged by the applicant, has quoted Regulation 3.3 and particularly 3.3.4 of the Supply Code Regulations and held that the provision of supply to the present applicant entails works for augmentation of the distribution system and that this work pertains to erection of a new 63 KVA transformer.

It is a matter of record that the applicant constructed & owned a three storied building on the site in question consisting of a total built-up area of 782.505 Sq.mtrs. The applicant had enclosed a detailed map duly sanctioned & signed by the Chief of the Municipal Council, Narkhed while applying for sanctioning his load. The applicant has also signed this map as the owner of the building. It is a different matter that the applicant might have sold some shops / rooms in this building. However, the fact remains that the building constructed and owned by the applicant is having a large number of electric points. The load sheet submitted by the non-applicant indicates that there are as many as 223 light points, 48 Fan points, 124 plug points and 32 power plug points. The non-applicant has also given minute details in the load sheet extensively describing various aspects from load assessment point of view. The residential area to be served by DLF is 5818 sq.ft. while the commercial area to be served by CLF is 2600 sq.ft. The load requirement calculated by the non-applicant for residential area comes to 29 KW and that of commercial area is worked out at 39 KW. Thus, the load sheet makes a mention of a total electricity load 68 KW for the entire building. Assuming that 75% load will be used at a time during peak hrs., the load requirement of the building, according to him, comes to 51KW. Alternatively, after verifying all the electrical points provided in the constructed building, the non-applicant has worked out the load requirement at 60 KW.

It is pertinent to note that the applicant's representative has not disputed the existence of all the electrical points provided in the building. He has also no adverse comments to make in respect of

the various details shown in the load sheet produced on record by the non-applicant.

Hence, the fact remains that the load requirement of the building owned and constructed by the applicant comes to around 60KW. For providing electricity to this building, naturally the existing 200KVA transformer will not be of any use because this transformer is already overloaded. The non-applicant has given all the relevant details about the existing connections both domestic as well as commercial that are served by this existing transformer and we are fully convinced about it.

It is, therefore, clear that the existing transformer cannot cater the need of electricity to the building in question.

The applicant's contention is that he has already sold out some shops / rooms in this building and that his own requirement for the portion retained by him is not much. However, this argument cannot be accepted by us because the non-applicant will have to consider the aspect of provision of electricity to the building as a whole and the non-applicant cannot consider only the applicant's limited request for his own purpose particularly when he constructed & owned this building.

Moreover, the other prospective consumers occupying this building may come forward and ask for providing electricity to their establishments sooner or later. Hence, according to us, the non-applicant has rightly assessed the load requirement.

On the point of recovery of expenses for giving supply of electricity, the provision contained in Regulations 3.3.4 of the Supply Code Regulations clearly authorizes a Distribution Licensee to recover

expenses on “works” that are required to be carried out for provision of supply. This word “works” mentioned in this Regulation is defined in Section 2 (77) of Electricity Act, 2003). The definition reads as under:.

““Works” includes electricity line, and any building, plant, machinery, apparatus and any other thing of whatever description required to transmit, distribute or supply electricity to the public and to carry into effect the objects of a licence or sanction granted under this Act or any other law for the time being in force.”

Hence, it is crystal clear that the word “works” includes the work of erection of a transformer.

It is also equally clear that the provision of supply of electricity to the applicant in the instant case entails the work of erection of a 63 KVA transformer in as much as the load requirement of the building constructed & owned by the applicant is around 60KW. The existing distribution system available in the shape of a nearby 200 KVA transformer will have to be augmented and in that, it will be necessary to erect a new transformer as rightly proposed by the non-applicant.

The non-applicant is also authorized in terms of Regulation 3.3.4 of the Supply Code Regulations to recover from the applicant such portion of the expenses reasonably incurred on such work as the load applied for bears to the incremental capacity that will be created by the augmentation of the distribution system. The proposed new 63 KVA (50KW) transformer will be just adequate to cater the load requirement of the building that is owned & constructed by the applicant. It,

therefore, follows that the applicant will have to bear the cost of the new transformer.

Thus, we hold that there is a need for augmentation of the existing distribution system in the instant case and that the extent thereof comes to 63 KVA. It is against this back ground that the Cell's order is found to be correct and proper by us.

The applicant's representative has referred to the non-applicant's Circular, being Circular No. 34587 dated 27.09.2006, and contended that the MERC has not permitted recovery of service line charges and the cost towards the infrastructure from the prospective consumers. The word "service line charge" is quite different from the word "works" that are required to be carried out by distribution licensee for augmenting the existing distribution system. Construction of a new 63 KVA transformer for augmenting the present distribution system cannot be a part of service line charges. This is clear to us from the definition of words "Service line" made in Section 2 (61) and of "works" made in Section 2 (77) of the Electricity Act, 2003.

In view of this position, the contention of the applicant's representative that the cost of transformer cannot be recovered from the applicant is not acceptable to us.

Moreover, the non-applicant has rightly worked out the load requirement of the building in question as per Chief Engineer's detailed Circular dated 27.08.2006, a copy of which has been produced on record by the non-applicant.

We, therefore, hold that the applicant's request of conversion of his single phase connection into a three phase is an eye wash and hence, it cannot be granted.

In the light of above, we confirm the order passed by the Cell and reject the present grievance application.

Sd/-
(S.J. Bhargawa)
Member-Secretary

Sd/-
(Smt. Gauri Chandrayan)
MEMBER

Sd/-
(S.D. Jahagirdar)
CHAIRMAN

**CONSUMER GRIEVANCE REDRESSAL FORUM
MAHARASHTRA STATE ELECTRICITY DISTRIBUTION CO LTD's
NAGPUR URBAN ZONE, NAGPUR.**

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