

CONSUMER GRIEVANCE REDRESSAL FORUM
MAHARASHTRA STATE ELECTRICITY DISTRIBUTION COMPANY LTD.
NASHIK ZONE
(Established under the section 42 (5) of the Electricity Act, 2003)

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No. / CGRF /Nashik/NUC/N.R.Dn./632/22/2017-18/
(BY R.P.A.D.)

Date:

Date of Submission of the case : 19/09/2017

Date of Decision :

To.

M/s. Thyssenkrupp Elect. Steel India Pvt. Ltd.
At post Gonde Village wadivarhe,
Tal . Igatpuri Dist. Nashik .
(Consumer No. 052089006996)

Complainant

1. Nodal Officer ,
Maharashtra State Electricity Distribution Com. Ltd.,
Urban Circle office, Shingada Talav,
Nashik
2. Executive Engineer (Rural)
Maharashtra State Electricity Distribution Com. Ltd.
Vidyut Bhavan Nashik .

Distribution Company
(Respondent)

DECISION

M/s. Thyssenkrupp Elect. Steel India Pvt. Ltd. , (hereafter referred as the Complainant) . Igatpuri Nashik is the HT consumer of the Maharashtra State Electricity Distribution Company Ltd. (hereafter referred as the Respondent). The Complainant has submitted grievance against MSEDCL for refund of excess billed transmission charges for part electricity purchased through open access from Apr. 16 to Dec.16. The Complainant filed a complaint regarding this with the Internal Grievance Redressal Committee of the Maharashtra State Electricity Distribution Company Ltd. Ltd. . But not satisfied with the decision of the IGRC , the consumer has submitted a representation to the Consumer Grievance Redressal Forum in Schedule "A". The representation is registered at Serial No.132 of 2017 on 19 /09/2017.

As:"But as the hearing could not be scheduled in this case, as the Forum was not functional due to posts of both the Chairperson and the Member (CPO) being vacant since June 2017. Later as per order no SE/TRC/CGRF/C-7/22650,Dt. 18.09.2017 the Member(CPO) ,CGRF, Jalgaon has been given additional charge of the Member(CPO) ,CGRF, Nashik who resumed the charge with effect from 20/09/2017."

The Forum in its meeting on 11/10/2017, decided to admit this case for hearing on 02/11/2017 at 2.00 Pm in the office of the forum . A notice dated 12/10/2017 to that effect was sent to the appellant and the concerned officers of the Distribution Company. A copy of the grievance was also forwarded with this notice to the Nodal Officer, MSEDCL, Urban I Circle Office Nashik for submitting para-wise comments to the Forum on the grievance within 15 days under intimation to the consumer. But on 02/11/2017 during hearing consumer approached the forum and requested to postpone the date of hearing with the written application , Accordingly, the forum considered

his request and rescheduled date of hearing on 14/11/2017 at 12.00 am accordingly the revised date of hearing was conveyed to the concerned.

Smt. P.V. Bankar, Nodal Officer/Ex. Engr. , Dy. Executive Engineer Shri. A. R. Tiwari represented the Distribution Company during the hearing. Shri . Vinayak Salunke & Shri. M.H. Gosavi appeared on behalf of the consumer.

Consumers Representation in brief :

Thyssenkrupp Electricity Steel India Pvt. Ltd. ("tkES" Or Company) is an existing HT-1 A consumer (No.052089006996) availing power from MSEDCL since 16/09/1995 with a contract demand of 15.5 MVA.

tkES had purchased part electricity through Open Access from 01/01/2016 to 3/12/2016.

We have received electricity bill for the month of Dec. 2016 with excess transmission charges amounting Rs. 866.611/- levied without any prior permission.

MSEDCL has billed transmission charges on the basis of Open Access Contract Demand (OA CD) as below:

OA demand @ MH periphery 4,160 Kwh x 24 Hours x 31 Days = 3,095,049 Kwh.

Transmission charges @ 0.28Rs/Lwh= 866,611

We did not understand the reason for the calculating transmission on the basis of OA CD for Dec. 2016. It was getting calculated on the basis of injected units of Maharashtra periphery upto Nov. 2016.

The document (Amendment Notice HT Billing Version 1.17.04 dated 31/12/2016) provided by MSEDCL office in support of this amendment is an internal document of MSEDCL, which their head office has circulated to IT heads of all the MSEDCL circles. It is neither supported by any Government notification or MERC order for revision in transmission charges.

We had paid Electricity bill of Dec. 2016 with under protest and informed to SE, MSEDCL., Urban Circle with a copy to CE – Commercial, MSEDCL regarding wrong billing of transmission charges through letter on 16/01/2017 and follow up letter on 16/03/2017.

But there was no response from MSEDCL in our request for refund of excess amount.

Meanwhile MERC had issued Practice Direction for processing of Open Access applications (MERC /OA Practice Directions/2017/01651 dated 08/03/2017) as below:

A STOA consumer, Generating Station or Licensee using a Distribution System shall pay Wheeling charges or Transmission Charges as the case may be on the basis of the actual energy drawal at the consumption end on Rs/Kwh basis . The Distribution Licensee shall refund any amount recovered in excess of these stipulations within a month, with applicable interest, without requiring such refund to be applied for.

Thus we thought that we will get the refund as per MERC's Practice Direction within one month without any application.

But unfortunately we did not get the refund from MSEDCL towards excess billed transmission charges.

Then we had informed to CE-Commercial, MSEDCL with a copy to SE, MSEDCL Urban Circle regarding refund of excess Transmission charges through letter on 17/04/2017 and follow up email on 24/05/2017.

But there was no any response from MSEDCL on our request for refund of excess amount.

Calculation of Transmission charges as per MERC's Practice Direction is as below for Dec.2016.

The Actual consumed units by tkES are 8,83,799 Kwh through open access in Dec. 2016.

Actual transmission charges 8,83,799Kwh x 0.28 Rs./Kwh= Rs. 247,463.72

Excess billed by MSEDCL = Rs. 866,611- Rs. 247,463.72= Rs. 619,147.

Also MSEDCL had billed Transmission charges on Electricity injected at Maharashtra Periphery from Apr.2016 to Nov, 2016. This is also not in line with MERC Practice Direction dated 08/03/2017.

Transmission charges are to be applied on the basis of the actual energy drawal at the consumption end with effect from 01/04/2016 as per MERC Practice Direction dated 08/03/2017.

Please find below the calculations for refund of excess billed transmission charges with effect from 01/04/2016 as per MERC Practice Direction dated 08/03/2017 from Apr. 2016 to Dec.2016.

| Mon -th | OA Consumption On @ tkES Kwh. | Over Injected @ tkES Kwh | Trans-Mission On Loss % | OA Injection @ State Periphery Kwh | Over Injection @ State Periphery Y Kwh. | Total Injection @ State Periphery Kwh | TC Rs/ Kwh | TC Billed By MSEDCL ,INR | TC as per MERC Practice Direction INR | Refund Amount INR | Interest @ 10% PA as on 31/5/17 | Net Refund Amount INR |
|---------|-------------------------------|--------------------------|-------------------------|------------------------------------|---|---------------------------------------|------------|--------------------------|---------------------------------------|-------------------|---------------------------------|-----------------------|
| Apr-16 | 1,391,869 | 21,732 | 3.89 | 1,448,204 | 22,612 | 1,470,816 | 0.26 | 382,412 | 361,886 | 20,526 | 2,224 | 22,750 |
| May-16 | 1,618,638 | 5,975 | 3.89 | 1,684,151 | 6,217 | 1,690,368 | 0.26 | 439,496 | 420,846 | 18,650 | 1,865 | 20,515 |
| Jun-16 | 2,093,280 | 96,783 | 3.89 | 2,178,004 | 100,700 | 2,278,705 | 0.26 | 592,463 | 544,253 | 48,210 | 4,419 | 52,630 |
| Jul-16 | 1,801,125 | 79,353 | 3.92 | 1,874,610 | 82,591 | 1,957,200 | 0.28 | 548,016 | 504,315 | 43,701 | 3,642 | 47,343 |
| Aug-16 | 1,160,822 | 130,494 | 3.92 | 1,208,183 | 135,818 | 1,344,001 | 0.28 | 376,320 | 325,030 | 51,290 | 3,847 | 55,137 |
| Sep-16 | 1,424,225 | 93,147 | 3.92 | 1,482,332 | 96,947 | 1,579,280 | 0.28 | 442,198 | 398,783 | 43,415 | 2,894 | 46,310 |
| Oct-16 | 872,401 | 54,022 | 3.92 | 907,994 | 56,226 | 964,220 | 0.28 | 269,982 | 244,272 | 25,709 | 1,500 | 27,209 |
| Nov-16 | 1,298,592 | 44,087 | 3.92 | 1,351,574 | 45,886 | 1,397,459 | 0.28 | 391,289 | 363,606 | 27,683 | 1,384 | 29,067 |
| Dec-16 | 883,799 | 114,261 | 3.92 | 919,857 | 118,923 | 1,038,780 | 0.28 | 866,611 | 247,464 | 619,147 | 25,798 | 644,945 |
| | | | | | | | | | | 898,333 | 47,572 | 945,905 |

Thus total refund amount is Rs. 945,905/- with interest upto 31/05/2017 towards excess transmission charges as per MERC practice Direction dated 08/03/2017.

We had then submitted our grievance to IGRC, Nasik on 14/06/2017 but our request of refund rejected through IGRC decision dated 11/08/2017 saying that transmission charges were applied as per MERC (Distribution Open Access) Regulation 2016 Clause 11.9 by MSEDCL

11.9 Non Utilization of short terms Open Access.

If the consumer, generating company of licensee, as the case may be, is unable to utilize for more than four hours the full or a substantial part of its allocated capacity, it shall inform the Nodal agency & may surrender the use of such capacity but shall pay transmission & wheeling charges applicable to the original reserved capacity & period.

But they have not considered latest amendment in MERC Practice Direction dated 08/03/2017 which clarified that transmission charge is payable as per consumption in STOA.

It is very difficult to observe such condition as we have to run the plant to produce goods as per market requirement and cope up with sudden stoppage or planned shutdown & weekly off etc. of the plant.

Arguments from the Distribution Company.

The Distribution Company submitted a letter dated 01/11/2017 from the Nodal Officer, MSEDCL, Urban Circle Office Nashik and other relevant correspondence in this case. The representatives of the Distribution Company stated that:

The said consumer is conventional type partly open access consumer. For billing of such consumer the circle office submit only the data of consumer end meter to IT section.

The generator emd date. OA master data file & all applicable amendments are received to IT directly from commercial section head office, Prakashgad, Mumbai. So the transmission charges in the said bills are charged as per H.O. rules, directives, & data provided. In the said bills the transmission charges are charged as per the clause 11.9 of MERC (Distribution Open access) regulation 2016, as there is not generation for more than 4 hours. The clause is reproduced as below-

Not utilization of Short term open access

11.9 *If the consumer, generating company of licensee, as the case may be, is unable to utilize for more than four hours the full or a substantial part of its allocated capacity, it shall inform the Nodal agency & may surrender the use of such capacity but shall pay transmission & wheeling charges applicable to the original reserved capacity & period.*

Hence the Transmission charges applied in the bill of said consumer are as per MERC regulation 2016, clause 11.9.

Action by IGRC :

1. Internal Grievance Redressal Cell Nashik Urban Circle conducted hearing on 17/07/2017 for the complaint submitted on 13/06/2017 .
2. After hearing both the parties IGRC gave decision as per letter dated 11/08/2017 as under .

" xtkdkl fot ns dkr yko. ; kr vkysys Transmission charges gs MERC (Distribution Open Access) Regulation 2016 , clause 11.9 uf kj yko. ; kr vkys vl q rs ; kX; vkgr -

Observations by the Forum:

Applicant has demanded the refund of excess billed transmission charges of part electricity purchased through OA from April 16 to Dec. 16.

The applicant has taken the reference of Practice directions issued by MERC vide MERC/O.A. Practice direction/2017/01651 dtd. 08/03/2017, according to which has demanded that the transmission charges should be recovered / charged on actual energy drawal at consumption end.

Where as the distribution company representative / Nodal office stated in their reply that for the period from April 16 to Dec 16, the consumer was unable to utilize power for more than four hours, the full or a substantial part of its allocated capacity, so as per MERC DOAR clause 11.9 the wheeling and transmission charges are applicable on the original reserved capacity and period.

The Distribution company representative/Nodal officer also mentioned that in the said practice direction at point No. (2) it is cleared that regulation 11.9 is not applicable for R.E. power.

Since M/s. Thyssenkrupp Electricity Steel India Pvt. Ltd. Is partly O.A. consumer availing conventional power, the regulation on 11.9 is applicable for above said company. Hence the transmission charges billed are correct.

The case is disposed off with the above observations.

If aggrieved by the non-redressal of his Grievance by the Forum, the Complainant may make a representation to the Electricity Ombudsman, 606, 'KESHAVA', Bandra Kurla Complex, Bandra (East), Mumbai 400 051 within sixty (60) days from the date of this order under regulation 17.2 of the MERC (Consumer Grievance Redressal Forum & Electricity Ombudsman) Regulations, 2006.

(Chandrakant M. Yeshirao)

Member

(Prasad P. Bicchal)

Chairman

Consumer Grievance Redressal Forum Nashik Zone

Copy for information and necessary action to:

- 1 Chief Engineer , Nashik Zone, Maharashtra State Electricity Distribution Company Ltd. , Vidyut Bhavan, Nashik Road 422101 (For Ex. Engr.(Admn)
- 2 Chief Engineer , Nashik Zone, Maharashtra State Electricity Distribution Company Ltd. , Vidyut Bhavan, Nashik Road 422101 (For P.R.O)
- 3 Superintending Engineer, Maharashtra State Electricity Distribution Company Ltd. , Urban Circle office, Nashik .

