CONSUMER GRIEVANCE REDRESSAL FORUM M.S.E.D.C.L., PUNE ZONE, PUNE

Date of Grievance	:	22.05.19
Hearing Date	:	24.06.19
		28.06.19
Date of Order	:	16.08.19
	Hearing Date	U

In the matter of correction of load factor calculation and factor incentive.

M/s. Sohn Steel Pvt. Ltd., ---- APPELLANT

Gat No.1252 to 1261,

Alanadi Markal Road,

Tal.- Khed, Dist. - Pune - 400 001

(Consumer No. 170149022910)

VS

The Supdt. Engineer,

---- RESPONDENT

M.S.E.D.C.Ltd.,

Pune Rural Circle,

Pune - 411011.

Present during the hearing:-

A] - On behalf of CGRF, Pune Zone, Pune.

- 1) Shri. A.P. Bhavathankar, Chairman, CGRF, PZ, Pune
- 2) Mrs. B.S. Savant, Member Secretary, CGRF, PZ, Pune
- 3) Mr. Anil Joshi, Member, CGRF, PZ. Pune.

B] - On behalf of Appellant

1) Mr.Suresh Sancheti, Consumer Representative.

C] - On behalf of Respondent

- 1) Mr. Kiran Sarode, Ex.Engineer, PRC, Pune
- 2) Mr. Soham Dhamne, Sr.Manager, PRC, Pune.

Tariff Category of consumer HT-1, Sanctioned load = 7700 KW

The consumer complaint about correction of load factor calculation which was wrongly calculated by Utility in the month of Jan.18 & Feb.18 and correction for the same. The above named consumer was filed complaint initially before Circle Office requesting to the Superintending Engineer after receiving the bill for the month of Jan.18 & Feb.18 mentioning the wrong load factor calculation in the bill. The consumer stated that he is having Industrial connection to the premises situated and given address as HT consumer since 18.4.2000. The contract demand initially agreed by consumer was having 6000 KVA & sanctioned load 7700 KW. Since the one of Induction furnace was under major repair & hence the consumer was applied for load reduction in contract supplied to the said premises. The consumer was entered into contract of reduction from 6000 KVA to 3600 KVA which was approved by MSEDCL from Aug.2017 and hence consumer, demand was reduced from 6000 KVA to 3600 KVA. However the consumer was received the bill in the month of Aug, Sept. Oct. & Nov.2017 with contract demand of 3600 KVA. In the month of Dec. 2017, the consumer was received the bill with contract demand of 3741 KVA on the basis of head office decision, that to bill the consumer based on the highest recorded consumption for all 24 Hrs. i.e. A,B,C,D Zone rather than B,C,D zone only. In the month of Oct.2017 the consumer had recorded the demand of 3741 KVA at A Zone. And the consumer was further submitted that, it was surprised to him that the Contract demand was 6370 KVA instead of 3741 KVA in the energy bill for the month of Jan.18 & Feb.18 shown. After receiving both the said bill the consumer was brought to the notice to the Circle Office and requested to rectifying the mistake & hence from March-2018 the mistake was rectified & the consumer was received the bill with contract demand of 3741 KVA. However the said mistake was not rectified in the month of Jan.18 & Feb.18.

The consumer was stated that they have been given repeated reminders even though the Head Office & Circle Office, Pune Rural Circle has not taken any action to resolve the said issue. Therefore the consumer was given application to IGRC form No. X & after receiving of application of the consumer, the IGRC was registered the case vide No. 01 /2019. The application was received the IGRC office on 22.1.2019. Thereafter on

receiving the said application the hearing was scheduled by the Respondent Utility on dated 26.2.2019 & the IGRC gave opportunity to the consumer and his representative and heard the dispute. On dated 18 March 2019 the IGRC has passed the order in favour of consumer directing Utility to send the proposal to Corporate Office within 7 days from the date of this letter and ask for guidelines in respect of the said matter. Accordingly even after issuing of this order by IGRC, the Respondent Utility has acted but no any response was received from Head Office, Mumbai. Therefore the present consumer was being dissatisfied with the order of the IGRC & hence filed the grievance in Form No.A on 22.5.2019 and requested for give direction in correction with CD of 3741 KVA for the month of Jan.18 & Feb.18. The consumer were attached the copy of sheet regarding details such as contract demand, recorded demand for A, B,C,D Zone, Recorded demand for B,C,D Zone and bill demand and load factor in column wise for the period Jan.2017 to July-2018 alongwith the complaint. The consumer were attached the copies of the bill for the month of Jan.18 & Feb.18. The consumer also attached all relevant documents, Circulars and issues by Utility stands alongwith copy of Gazette and Commercial Circular No.294/11.4.2017.

After receiving the said complaint this office has issued the notice to Respondent Utility on 27.5.2019 directing to the Utility to file the parawise reply on or before 6.6.2019. After receiving the said notice the Respondent Utility filed the reply on 12.6.2019 and the hearing was scheduled on 24.6.2019 & 28.6.2019 & both the parties were present for hearing. The Respondent Utility submitted that the above name consumer received the supply since 18.4.2000 on given address under the name in M/s. Sohn Steel Pvt. Ltd. Alandai Markal, Dist. Pune. The consumer had been applied on 5.2.2018 to correct the bill with contract demand of 3741 KVA instead of 6370 KVA. It is submitted that in the meantime on 12.12.2017 the consumer was served the demand violation notice through IT system generated by this office and in views of issuance of this notice, the consumer has exceeded its sanctioned contract demand on more than 3 occasions & hence it is the breach of agreement between MSEDCL and consumer and it is violation as per

Supply Code Regulations & provision of MERC tariff order. Therefore the consumer had issued the notice by the Utility of MSEDCL, Rural Circle Pune and requested for enhancement of C.D.& make payment of Rs. 1,41,367/within the period of 15 days to regularise the same. Thereafter, contract demand of the consumer was auto updated to 3741 KVA for Dec.2017 and 6370 KVA for the month of Jan. & Feb. 2018 through MSEDCL IT system. The C.E., Commercial Corporate office, Letter No.01298 dtd. 18.1.2018 which clearly mentioned that, the notice to comply was served to HT consumer who have exceeded their sanctioned contract demand more than 3 occasion in a calendar year 2017. The consumer have breached the agreement executed between consumer and MSEDCL as per Regulation of 4 & 6 of Supply Code Regulations & provision of MERC tariff order. Accordingly the C.D. of such HT consumer was restarted from Dec.-2017 and billing to the highest recorded demand in the calendar year 2017. The Utility filed copy to the Annexure-C in this respect. It is submitted that, the Utility as per observations made in MERC tariff order in case No.48 of 2016 dtd. 03.11.2016, the clauses of penalty exceeding contract demand given observations and accordingly the contract demand of the consumer was auto updated to 3741 KVA in the month of Dec.2017 and 6370 KVA in the month of Jan. & Feb. 2018 through MSEDCL IT system. On 19.7.2017, the consumer had submitted the application for reduction of contract demand from 6000 KVA to 3600 KVA which was effected on 30.8.2017 as per release order of the Superintending Engineer, Pune Rural Circle, vide L.No. 15069 dtd 30.8.2017. After receipt of application of reduction of contract demand of the consumer and as per H.O. guidelines Contract Demand of the consumer was reduced 3741 KVA w.e.f. March-2018 and which was followed as per Regulations provision. The consumer was requested to circle office to correct the bill with contract demand of 3741 KVA instead of 6371 KVA. As contract demand of the consumer in the month of Dec.2017 and Jan.2018 was auto updated by MSECL IT system. It is being policy matter, the consumer's request letter were submitted to Chief Engineer, Commercial to the corporate office for further needful with the copy of all concern references. It is clear that, the

consumer exceeded his sanctioned contract demand more than 3 occasions in the calendar year 2017. It was the breach of agreement between consumer and MSEDCL as per Supply Code Regulation 4 & 6 and provisions of MERC tariff order and it was also mentioned that to comply the issue in response to the notice by the consumer and hence action was taken by Chief Engineer Commercial, Corporate office as per Letter No.1298 dtd.18.1.2018. The Respondent Utility prayed for not to consider the correction of load factor of the consumer for the month of Jan. & Feb. 2018 and rejected the grievance.

After perusing rival contention of the consumer and the Respondent Utility following points arose for my consideration to which I have recorded my findings to the issue further reason given below :

- Whether consumer is entitled to seek correction in the bill of Jan. & Feb. 2018 with Contract Demand of 3741 KVA instead of 6370 KVA?.
- 2) Whether consumer is entitled for Load factor incentive as claimed by consumer?
- 3) Whether consumer is entitled for any relief?
- 4) What order?

Reasoning:-

I have given the opportunity to the consumer and his representative and also give opportunity to the Respondent Utility. The Ex. Engineer appears before this Forum on 28.6.2019. It appears that this is a prima facie simple matter for correction of KVA demand as wrongly mentioned in the bill of Jan. & Feb.2018. The reason and reply was given by the Utility that it is system generated bill through IT which was issued considering the Contract demand of the consumer during calendar year 2017. The Respondent Utility had gave copy of the letter dated 12.12.2017 mentioning the exceeding contract demand for the month of Aug., Sept., Oct., Nov. 2017, and the contract demand was recorded as 3736, 3739, 3741 & 3737 respectively which is contrary to the sanction C.D. of 3600 KVA. According to the Respondent Utility, there was violation of breach of agreement executed between MSEDCL & Consumer. The contract demand is exceeded by more than 3 times during the calendar year and therefore the system generated bill automatically increased the contract demand as 6370 KVA for Jan. & Feb.2018. The said bill is generated through IT Section of Head Office though technically the consumer's application was considered by the Utility official and action taken accordingly & referred for guidelines. But till the date no guidelines was issued properly particular in this case as earlier guidelines was issued by Head Office in this consumer. It appears from the order referred by consumer as well as by the Utility that it is being a policy matter of considering load factor incentive and load factor penalty in various cases to the supply exceeded as per sanction contract demand in the calendar year. The case referred 48 of 2016 and the circular issued by CE, Commercial 284 was in place referred at particular time frame. The policy being decided as per judgment of 48 of 2016 by MERC which was reviewed in the case of 195 of 2017. As the review order dated 12th Sept.2018 is referred by me at Clauses 926 on page No. 482 to 484 referring to load factor incentive. The bills were issued in the month of Jan'2018 & Feb.2018 was correct. Apparently it seems that being a policy matter cannot be individually touches to the individual issue of consumer as this policy matter has been generated and finalized by Competent Authority. The same relief cannot be extended to the consumer at individual level. In this circumstance made correction of KVA does not suffice any purpose & ultimately prayer of consumer who was reflected for load factor incentive. He wanted to claim at various stages as both the issues were being a policy matter. This Forum does not feel proper to give benefit as at this time, though the request of the consumer was already considered as per guidelines issued from Head Office and the matter was referred to them but in view of the judgment and order passed by MERC in the case No.195/2017 is being a policy decided by Competent Authority.

The time limit of 60 days prescribed for disposal of the grievance could not be adhered due to hearing was taken twice times and request to postpone the hearing by the party.

I am not inclined to grant any relief to the consumer hence I proceed to pass following order.

<u>ORDER</u>

- 1. The consumer dispute of Case No.35 of 2019 stands dismissed.
- 2. No order as to the cost.
- 3. The Licensee is directed to report the compliance within one month from the date of this order.

The order is issued under the seal of Consumer Grievance Redressal Forum M.S.E.D.C. Ltd., Pune Urban Zone, Pune on 16th Aug. - 2019.

Note:-

1) If Consumer is not satisfied with the decision, he may file representative within 60 days from date of receipt of this order to the Electricity Ombudsman in attached "Form B".

> Address of the Ombudsman The Electricity Ombudsman, Maharashtra Electricity Regulatory Commission, 606, Keshav Building, Bandra - Kurla Complex, Bandra (E), Mumbai - 400 051.

2) If utility is not satisfied with order, it may file representation before the Hon. High Court within 60 days from receipt of the order.

I agree / Disagree

I agree / Disagree

Sd/-

Sd/-

Sd/-

ANIL JOSHI MEMBER CGRF:PZ:PUNE A.P.BHAVTHANKAR CHAIRPERSON CGRF: PZ:PUNE BEENA SAVANT MEMBER- SECRETARY CGRF:PZ:PUNE

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