

BEFORE THE HIMACHAL PRADESH ELECTRICITY OMBUDSMAN, SHIMLA

PHONE: 0177- 2624525



CASE No. 28 of 2016

In the matter of:

M/S Global Industries, Plot No.39, Sector-1, Parwanoo-173220, District Solan (HP)

Through Shri Rajiv Jain, its authorised signatory and Sh. Rahul Mahajan, Advocate / Sh. Rakesh Bansal.

..... **Applicant / Representationist**

Versus

1. The Executive Director(Personnel), HP State Electricity Board Ltd., Vidyut Bhawan, Shimla –171004(HP)
2. The Chief Engineer (Commercial), HP State Electricity Board Ltd., Vidyut Bhawan, Shimla-171004(HP)
- 3.The Sr. Executive Engineer, Electrical Division, HP State Electricity Board Ltd., Parwanoo-173220 (HP)
- 4.The Asstt. Executive Engineer, Elect.Sub Division, HP State Electricity Board Ltd., Parwanoo-173220(HP)

..... **Respondents**

Presence: -

1. Shri Rakesh Bansal, Aurtherised Representative for the Applicant/Representationist.
2. Shri Bhagwan Chand, Advocate for the Respondents.

ORDER

(Last Heard on 27.07.2017))

M/S Global Industries, Plot No.39, Sector-1, Parwanoo-173220, District Solan (HP) (hereinafter referred to as

“**the Applicant / Representationist**”) is availing Electricity Supply on Large Supply (HT1) with Connected Load of 250 kW and Contract Demand of 250 kVA, against Account No. LS-175, from the Himachal Pradesh State Electricity Board Limited (hereinafter referred to as “**the Respondent Board**”) through Electrical Sub Division, Parwanoo, District Solan (HP).

Complainant’s contention

1. The Applicant/Representationist feeling aggrieved and dissatisfied with the findings in of the following impugned Order dated 15.09.2016 passed in Complaint No. 1421/3/15/063 by the Forum for Redressal of Grievances Consumers Order (hereinafter referred as the **Forum**) has filed the present Representation for the redressal of his grievances:-

(a) The Applicant/representationist deserves relief of Rs.2,32,000/- charged extra by the respondents during the period of delay beyond the permissible period under HPERC(Standards of Performance) Regulations, in processing the downward revision of Contract Demand.

(b) The Complainant also seeks refund of excess demand charges of Rs.42,660/- levied on 56 kVA instead of 50 kVA applied by him.

(c) The Complainant also seeks relief in terms of compensation for cost of litigation amounting to Rs.1,00,000/-.

(d) The Complainant seeks relief in terms of interest to be paid on excess recovery by the respondents as per provision of the Supply Code,2009.

2. The Complainant had 250 kW connected load and Contract Demand 250 kVA since 2008. The complainant asked for reduction in Contract demand from 250 kVA to 50 kVA on 16.03.2012 by paying the processing charges @ Rs.25/kVA amounting to Rs.5000/- vide Receipt No.0113396 on the prescribed A&A Form. HPSEBL approved the reduction of Contract Demand to a level of 56 kVA in place of 50 kVA over and above Contract Demand applied for on the plea that demand cannot be processed to level below the lighting load of 56 kVA. Consequent of which the applicant had to pay excess demand charges amounting to Rs.42,660/- for 6 kVA extra during all months between April,2012 to August,2012. The Forum did not grant relief for such excess demand charges paid by the Company.

3. The complainant is aggrieved against the findings of the Forum that the application of the Complainant was submitted only on 31.07.2012 . The Forum observed that there were two applications for reduction of Contract Demand, the first one for 50 kVA on 16.03.2012 (Application No.395/LS A&A Form No.798291 dated 14.03.2012) and the subsequent one for 56 kVA on 31.07.2012 (A&A Form No.0002021). The Forum failed to go into the reasons for submitting subsequent proposal for revision of CD to 56 kVA.
4. Therefore, in view of above, the Applicant/Representations prayed that the impugned Order dated 15.09.2016
passed by the CGRF in their representation may be set aside and quashed.

Respondent's contention:

That the Appellant submitted A& A Form for revision of Contract Demand from 250 kVA to 50 kVA vide Application No.395/LS dated 16.03.2012 by depositing processing fee Rs.5,000/-vide Receipt dated 16.03.2012 at ESD, HPSEBL Parwanoo and A.E., ESD Parwanoo, recommended for reduction in Contract Demand of Appellant Vide No.541 dated 23.05.2012 to S.E., Operation Circle, HPSEBL, Solan. The SE, Operation Circle, Solan has decided that the light load of the Consumer is 55.27 kVA (49.74 kW), whereas the revision of contract demand is recommended for 50 kVA, and as such the appellant finally proceeded for 56 kVA as Contract Demand on A&A Form submitted on 31.7.2012. The appellant/applicant was charged by the respondents on 90% of 250 kVA in place of 90% of 50 kVA i.e. @ 300/- per kVA as the demand was reduced from 250 kVA to 56 kVA w.e.f.21.08.2012 within the prescribed period 30 days from the date of application. As a result the appellant has to be pay Rs.54,000/- per month extra and complaint is not legally maintainable.

Forum observations and order:

The complainant deposited Rs.5045/- on 16.03.2012 vide Receipt No.0113996 dated 16.03.2012 under Application No.395/LS dated 16.03.2012 under Application No.395/LS dated 16.03.2012 (Rs.5000/as processing fee + Rs.45/- for A&A form). After this receipt the whereabouts of

the application are not available. No. of this A&A form was 798291 dated 14.03.2012. We also observe that the complainant again applied for reduction of his contract demand from 250 kVA to 56 kVA vide A&A No.0002021, application No.32 LS dated 31.07.2012 against the same processing fee already deposited on 16.03.2012 via Receipt No.0113996. We observe that the respondents Board did not take any action on the application No.395/LS dated 16.03.2012 till July,2012. The respondents had no answer to the fate of the application No.395/LS dated 16.03.2012, which clearly indicated that Rs.5000/-processing fee had been received on account of 200 kVA reduction in Contract Demand. From the above discussion we can easily conclude that the complainant had hidden this fact from the Forum that they applied for reduction of CD on 31.07.2012 also from 250 kVA to 56 kVA against the same processing fee paid on 16.03.2012.

After considering all the aspects of the case we are of the opinion that there was delay on the part of the respondents to sanction reduction of CD from 250 kVA to 50 kVA applied vide Application No.395/LS dated 16.03.2012. We also find that when the CD was reduced to 56 kVA, the processing fee should have been charged for 194 kVA instead of 200 kVA. We also observe that 30 days allowed period in respect of application No.395/LS dated 16.03.2012 expired on 15.04.2012. We are also of the view that the complainant cannot be given benefit of deemed contract demand of 50 kVA w.e.f. 15.04.2012 as the complainant has again applied for reduction in C.D. from 250 kVA to 50 kVA on 31.07.2012 against the same processing fee. However, we are of the opinion that the complainant be compensated for the delay caused by the respondents in processing his application No.395/LS dated 16.03.2012 as per HPERC Regulations of Performance Standards. In addition, the excess processing fee for 6 kVA amounting to Rs.150/- should also be refunded to the complainant. We, thus direct as under:-

- 1) The demand of the complainant to refund Rs.2,32,000/- on account of excess demand charges is quashed and set aside.
- 2) The respondents are directed to pay compensation to the complainant for the period of delay in processing and misplacing his application No.395/LS dated 16.03.2012. The compensation be paid since 16.04.2012 to

31.07.2012 @ Rs.50/- per day. The respondents Board is at liberty to recover this amount from the officer/official at default.

- 3) The respondents are directed to refund Rs.150/- (25x6-150) received in excess of required processing charges i.e. processing charges should be for 194 kVA and not 200 kVA.

The case is decided in favour of respondents as well as in favour of the complainant.

Electricity Ombudsman findings and Order:

From the above averments/submission made and the documents produced by both the parties, the issue comes out for determination is whether the delay in processing the application for reduction in Contract Demand from 250 kVA to 50 kVA (56 kVA actual) by the respondents Board has occurred or not and whether the complainant/application deserves relief of Rs.2,32,000/- charged extra by the respondents Board during the period of delay beyond the permissible period of 01 month and refund of excess demand charges of Rs.42,660/- levied on reduced Contract demand of 56 kVA instead of 50 kVA. It is observed as under:-

1. That the complainant applied for reduction of Contract Demand from 250 kVA to 50 kVA and paid the processing charges of Rs.5045/- (Rs.5000/as processing fee + Rs.45/- for A&A form) vide Receipt No.0113396 dated 16.03. 2012 under Application No.395/LS dated 16.03.2012 vide A & A form No.798291 dated 14.03.2012. After the receipt of the application alongwith necessary documents on 16.03.2012, the whereabouts of the application was not known by the respondents Board, as the Board did not take any action on the application No.395/LS dated 16.03.2012 till July,2012, despite follow-up by the complainant in person and in written as well. The respondents had no answer to the fate of the application No.395/LS dated 16.03.2012, which clearly indicates that Rs.5000/-processing fee had been received on account of reduction in Contract Demand from 250 kVA to 50

kVA. The Forum also in its order dated 15.09.2016 have substantiated the fact that receipt of the application of the complainant by the Board is 16.03.2016 alongwith requisite fee.

2. That it is only when the complainant had visited the A.E., HPSEBL ,Parwanoo, he was told that the reduction in Contract Demand can be only allowed from 250 kVA to the level of lighting load of 56 kVA instead of 50 kVA, against the fee as already deposited on 16.03.2012 vide Receipt No.0113396. The cognizance of the fact has been taken by the Forum in its decision and allowed compensation to the complainant for the period 16.04.2012 to 31.07.2012 of delay in processing and misplacing his application No.395/LS dated 16.03.2012.

After considering all the aspects of the case, it is observed that there was delay on the part of the respondents to sanction reduction CD from 250 kVA to 56 kVA applied vide Application No.395/LS dated 16.03.2012, beyond the prescribed period of one month for processing of the application, which expired on 15.04.2012. The contention of the Board to levy the demand charges for electricity on revised Contract Demand from 31.07.2012 i.e. the date of reduction in Contract Demand from 250 kVA to 56 kVA by the Board, is not sustainable. Thus, I am of the opinion that the complainant be charged for electricity on revised Contract Demand of 56 kVA from 15.04.2012. The demand of the complainant to refund Rs.2,32,000/- on account of excess demand charges is maintainable and upheld. Therefore, the respondent Board is directed to refund the above amount on account of excess demand charges to the complainant.

Dated: 22.08.2017

ELECTRICITY OMBUDSMAN