BEFORE THE ELECTRICITY OMBUDSMAN (MUMBAI)

(Appointed by the Maharashtra Electricity Regulatory Commission
under Section 42(6) of the Electricity Act, 2003)

REPRESENTATION NO. 58 OF 2026

In the Matter of Recording of Maximum Demand Methodology to HT consumers

Nashik Ispat Pvt. Ltd. ….. …… …… …… …….. …….. ...Appellant
(C. No. 075949020720)

V/s.

Maharashtra State Electricity Distribution Co. Ltd. Nashik Circle. ……... …. Respondent
(MSEDCL)

Appearances:

Appellant : Anupam Ghosh, Director

Respondent: 1. Nandkishore Kale, Executive Engineer, Admin, Nashik Circle
2. Sachin Bhadake, Sr. Manager, Nashik Circle

Coram: Vandana Krishna [IAS (Retd.)]

Date of hearing: 11th June 2026

Date of Order: 25th June 2026

ORDER

This Representation was filed on 11th May 2026 under Regulation 19.1 of the Maharashtra Electricity Regulatory Commission (Consumer Grievance Redressal Forum & Electricity Ombudsman) Regulations, 2020 (CGRF & EO Regulations 2020) against the Order dated 11th March 2026 in Case No.103 of 2025 passed by the Consumer Grievance Redressal Forum, MSEDCL, Nashik Circle (the Forum). The Forum rejected the Appellant's grievance.

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2. The Appellant has filed the present Representation challenging the order passed by the Forum. An e-hearing was conducted on 11.06.2026 through video conference where both the parties were heard at length. The Appellant's submissions and arguments are stated as below. *[The Electricity Ombudsman's observations and comments are recorded under 'Notes' where needed.]*

(i) The Appellant is a High Tension (HT) Industrial Consumer (Consumer No. 075949020720) of the Respondent. The particulars of the Appellant and the excess amounts recovered due to incorrect Maximum Demand calculations under the Sliding Window method, along with the refunds claimed for June to September 2025, are provided in Table 1. *(Note: the refund amount of Rs.5.48 lakhs has been calculated by the Appellant.)*

Table 1:

Name	Consumer No.	Address	Sanct. Load / Contract Demand	Date of Supply	Month	Alleged Refund Amount (₹)
Nashik Ispat Pvt. Ltd.	75949020720	Plot No E-26 & E 26/1 MIDC, Malegaon, Sinnar, Nashik 422103	3500 kW/ 3241 kVA	07.06.2010	Jun-25	2,81,725.94
					Jul-25	2,25,653.52
					Aug-25	19,221.07
					Sep-25	21,517.12
					Total	**5,48,117.65**

(ii) The Appellant is engaged in the manufacture and processing of iron and steel products. The manufacturing process is electricity-intensive and requires continuous operation of plant and machinery, making the applicability of Time-of-Day (ToD) tariff incentives and load management measures commercially significant for the Appellant.

(iii) The Appellant stated that its HT meter was replaced by the Respondent on 21st June 2025. A newly installed meter recorded Maximum Demand (MD) using a **5-minute sliding window within a 15-minute integration period**. According to the Appellant, this methodology differs from the concept of **consecutive fixed 15-minute blocks** prescribed under the applicable regulations.

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- **Fixed 15-minute blocks:** 00:00-00:15; 00:15-00:30; 00:30-00:45; ... 23:45-00:00.
- **5-minute sliding window:** 00:00-00:15; 00:05-00:20; 00:10-00:25; 00:15-00:30; and so on.

(iv) As per Maharashtra Electricity Regulatory Commission (Electricity Supply Code and Standards of Performance of Distribution Licensees including Power Quality) Regulations, 2021 (Supply Code & SoP Regulations, 2021: Effective from Feb. 2021 onwards, the definitions of Contract Demand & Maximum Demand are as below:

2. Definitions

*m. **"Contract Demand"** means demand in kilowatt (kW) / kilovolt ampere (kVA)/ Horse Power (HP), mutually agreed between Distribution Licensee and the Consumer as entered into in an agreement in which the Distribution Licensee makes a commitment to supply in accordance with the terms and conditions contained therein; or equal to the Sanctioned Load, where the Contract Demand has not been provided in such agreement;*

*gg : **"Maximum Demand"** in kilowatts or kilo-volt-amperes, in relation to any period shall, unless otherwise provided in any general or special order of the Commission, mean four times the largest number of kilowatt-hours or kilovolt-ampere-hours supplied and taken during any consecutive Fifteen (15) minutes blocks in that period:*

(v) The Appellant relies upon the definition of "Maximum Demand" contained in Regulation 2(gg) of the Maharashtra Electricity Regulatory Commission (Electricity Supply Code and Standards of Performance of Distribution Licensees including Power Quality) Regulations, 2021, which provides that Maximum Demand means **four times the largest number of kilowatt-hours or kilovolt-ampere-hours supplied and taken during any consecutive fifteen-minute block** in the relevant period. The Appellant contends that the expression "consecutive fifteen-minute blocks" excludes the 5-minute sliding window methodology.

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(vi) Energy accounting, scheduling, dispatch, deviation accounting and congestion management at the grid level are based on 15-minute time blocks. Open Access consumers are also required to install meters recording consumption on 15-minute block basis. The Appellant stated that, while the Commission by Order dated 30th June 2020 in Case No. 84 of 2020 permitted reprogramming of meters from 30-minute to 15-minute block recording, it did not approve recording of Maximum Demand through a 5-minute sliding window.

(vii) The Appellant places reliance on the Commission's Order dated 30.03.2020 in Case No. 322 of 2019, wherein the proposal of MSEDCL to introduce sliding scale measurement of Billing Demand was specifically rejected. The Commission directed that Billing Demand should continue to be recorded on fixed-duration blocks and observed that, where warranted by load fluctuations, consumers could instead be billed on the basis of **15-minute time blocks** by installing suitable meters, rather than adopting the sliding window methodology.

(viii) According to the Appellant, despite the above ruling, MSEDCL incorporated the 5-minute sliding window methodology in its Technical Specification No. CE/QC-T/MSC-II dated 2nd November 2019 for HT energy meters. The Appellant stated that the technical specification prescribed an MD integration period of 15 minutes with a 5-minute sub-integration period using the sliding window method, which is contrary to the Commission's orders and the Supply Code Regulations.

(ix) The Appellant contends that, as a consequence of installation of such meter, its Maximum Demand was incorrectly recorded and billed. According to the Appellant, the legally correct formula for determination of Maximum Demand is:

MD = 4 × Maximum kVA recorded in any consecutive 15-minute block during the billing month.

(x) The Appellant further stated that the meter records the load survey data for every consecutive 15-minute block. After obtaining the load survey data under the Right to Information Act, the Appellant recalculated the Maximum Demand for the billing

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months of June, July, August and September 2025 and claims that the bills ought to have been prepared on the basis of such load survey data.

(xi) Based on its calculations, the Appellant contends that it has been overcharged in the electricity bills and is entitled to a total refund of ₹5,48,117.65, exclusive of interest. The refund claimed is month-wise as follows: ₹2,81,725.94 for June 2025, ₹2,25,653.52 for July 2025, ₹19,221.07 for August 2025, and ₹21,517.12 for September 2025 as shown in Table 1.

(xii) In the aforesaid facts and circumstances, the Appellant prays that the Respondent be directed to:

a. Revise and amend the electricity bills for the months of June, July, August and September 2025 issued to Nasik Ispat Pvt. Ltd., in accordance with the correct MD according to Load Survey data of the Meter as per the above calculations and refund the excess amount to the Appellant;

b. Pay interest at the rate of 12% per annum on the excess amount refunded, calculated from the respective dates of payment until the date of actual refund or credit; and

c. Grant such other reliefs as may be deemed just and proper in the facts and circumstances of the case.

3. The Respondent's submission and arguments are stated as below:

(i) The particulars of the electricity connection of the Appellant are set out in Table 1.

(ii) The Appellant's request for availing Open Access was processed strictly in accordance with the prescribed procedure. The Joint Inspection Report (Format-I) was submitted on 10.03.2025, following which the Competent Authority approved the Special Energy Meter (SEM) specifications on 19.03.2025 with specific directions regarding joint

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inspection, compatibility verification, and installation of the AB Switch and AMR modem. The specifications provided by the Chief Engineer (Commercial) is tabulated as below:

Table 2:

a)	ABT, 4 Quadrant Import-Export type, suitable for kVAH billing considering kVArh (Lag+Lead) as per latest technical specifications of MSEDCL				
		Main Metering	Check Metering		
b)	Meter C.T. Ratio:	/5A	/5A		
c)	Meter P.T. Ratio:	11KV/√3/110 Volts/√3	11KV/√3/110 Volts/√3		
d)	Class of Accuracy:	0.2 s	0.2 s		
e)	Other required Specification:	3x63.5V, 50 Hz, 3 phase 4 wire (Neutral solidly grounds) and AMR / KVAH billing compatible			

[Note: the specification did not indicate for 5 minutes sliding block or 15 minutes sliding block.]

(iii) Thereafter, the SEM was duly tested by the Testing and Quality Assurance Laboratory, and the ABT Meter Testing Reports were issued on 14.05.2025. Subsequently, the Competent Authority, by communication dated 12.06.2025, approved issuance of the No Objection Certificate (NOC) for charging the SEM, subject to compliance with the prescribed technical requirements. Accordingly, the Superintending Engineer instructed the Executive Engineer on 17.06.2025 to install and charge the SEM after ensuring compliance with all stipulated conditions. Although the Appellant had stated that MSEDCL changed its meter, it had concealed the fact that the meter was replaced on 21.06.2025 at the Appellant's own request for availing the Open Access facility. The SEM Installation Report (Format-III) was thereafter submitted to the Chief Engineer (Commercial) on 08.07.2025 for further necessary action to avail open access.

(iv) It was contended that the Special Energy Meter (SEM) installed at the premises conformed to MSEDCL specifications and that the bills for the period from June 2025 to September 2025 were issued strictly in accordance with the applicable MERC Tariff Regulations and Tariff Order in Case No. 226 of 2022. According to the Respondent,

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no excess amount had been charged and the billing was accurate and in accordance with the applicable provisions.

(v) The Appellant's grievance related solely to the methodology adopted for computation of Maximum Demand (MD). Referring to the definition of "Maximum Demand" under Regulation 2.2(gg) of the MERC (Electricity Supply Code and Standards of Performance of Distribution Licensees including Power Quality) Regulations, 2021, it was contended that MD is required to be determined based on the highest energy recorded during any consecutive fifteen-minute block and that the methodology adopted by MSEDCL was consistent with the prevailing regulatory framework governing Special Energy Meters.

(vi) The term "Meter" under the Supply Code Regulations includes Special Energy Meters and that the Appellant had not disputed the correctness or functioning of the meter but had merely challenged the methodology of calculating Maximum Demand. The Respondent contended that the bills were issued in accordance with the prevailing MERC Tariff Regulations and that Regulation 4 of the Supply Code Regulations empowered MSEDCL to recover electricity charges in the manner prescribed by law.

(vii) The Respondent also relied upon the Commission's observations in its Order dated 30.06.2020 in Case No. 84 of 2020, wherein the Commission permitted reprogramming of meters to record data in fifteen-minute time blocks in line with grid-level energy accounting, scheduling, deviation settlement and congestion management. Accordingly, it was submitted that the Maximum Demand for the disputed period was correctly computed as four times the highest kVAh recorded during any consecutive fifteen-minute block.

(viii) The Respondent denied that an incorrect meter had been installed or that Maximum Demand had been wrongly billed. It was further submitted that MSEDCL had not violated any provisions of the MERC Regulations while raising the bills for the months of June to September 2025 and that the Appellant had erroneously interpreted the load

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survey data without appreciating the billing methodology applicable to Special Energy Meters.

(ix) Finally, the Respondent denied all the averments made in the Representation, contending that the claim for refund and interest was untenable and that the order dated 11.03.2026 passed by the Consumer Grievance Redressal Forum, Nashik was legal, proper and in accordance with law. The Respondent accordingly prayed that the Representation be dismissed with costs, with liberty to amend or supplement its submissions, as the Representation was devoid of merit and liable to be rejected.

4. During the course of hearing, both the Appellant and the Respondent were directed to submit the correspondence and relevant documents relating to the sanction of Open Access. In compliance with the said direction, both parties submitted the requisite documents through email. The brief of the documents submitted is as follows:

- The Appellant, by letter dated 10.02.2025, requested the Chief Engineer (Commercial), MSEDCL to approve the installation of a Special Energy Meter (SEM) for sourcing power through Open Access at its premises. The Appellant also undertook to install the SEM and bear all associated costs in accordance with the applicable MSEDCL Regulations.
- The Respondent, Superintending Engineer, MSEDCL, Nashik, by letter dated 10.03.2025, submitted the Joint Inspection Report for Special Energy Meter (SEM) Installation (Format-I) in respect of M/s Nashik Ispat Pvt. Ltd. (Consumer No. 075949020720), an existing HT consumer proposing to avail power through Open Access. The report, duly signed in the prescribed format, was forwarded to the Chief Engineer (Commercial), MSEDCL for information and necessary action towards approval of the SEM installation.
- Thereafter, by letter dated 19.03.2025, the Chief Engineer (Commercial), MSEDCL conveyed to the Superintending Engineer, MSEDCL, O&M Circle, Nashik, that the Competent Authority had approved the metering specifications for the Special

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Energy Meter (SEM) in respect of M/s Nashik Ispat Pvt. Ltd. (HT Consumer No. 075949020720) for availing Open Access. The approval prescribed the SEM metering specifications for the consumer-end main and check meters and directed the Superintending Engineer (O&M) and Superintending Engineer (TQA) to jointly inspect the premises, submit the Joint Inspection Report (Format-II) along with confirmation of compatibility of the SEM with the MSEDCL Open Access Billing Programme, and ensure installation of an AB Switch before the metering arrangement and a modem for the Automatic Meter Reading (AMR) system before taking further necessary action.

- Thereafter, the Testing and Quality Assurance Laboratory, Urban Testing Division, MSEDCL, Nashik, vide letter dated 14.05.2025, submitted the ABT Meter Testing Reports pertaining to the tests conducted during the period from 26.04.2025 to 29.04.2025 to the Executive Engineer, EHV Project Division, MSETCL, Nashik, certifying the results of the Special Energy Meter (SEM) testing.
- Thereafter, the Respondent, Superintending Engineer, MSEDCL, Nashik, by letter dated 08.07.2025, submitted to the Chief Engineer (Commercial), MSEDCL the SEM Installation Report (Format-III) in respect of the existing HT consumer, M/s Nashik Ispat Pvt. Ltd. (Consumer No. 075949020720), for availing Open Access. The report, duly signed in the prescribed format, was forwarded for information and further necessary action.
- Thereafter, by letter dated 12.06.2025, the Chief Engineer (Commercial), MSEDCL conveyed to the Superintending Engineer, MSEDCL, O&M Circle, Nashik, that the Competent Authority had accorded approval for issuance of the No Objection Certificate (NOC) for charging the Special Energy Meter (SEM) installation of M/s Nashik Ispat Pvt. Ltd. (HT Consumer No. 075949020720), subject to verification of the Electrical Inspector's permission, compliance with the applicable standards and the Indian Electricity Rules, joint inspection by the concerned SE (O&M) and SE (TQA), submission of the SEM Installation Report in the prescribed format, and

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installation of an AB Switch before the metering arrangement and an AMR modem before charging the SEM.

- Thereafter, the Superintending Engineer, MSEDCL, Nashik Circle, by letter dated 17 June 2025, instructed the Executive Engineer, O&M Division, MSEDCL, Nashik Rural, to install and charge the SEM Main and Check Meters for M/s Nashik Ispat Pvt. Ltd. (Consumer No. 075949020720) in accordance with the approval granted by the Chief Engineer (Commercial) on 12.06.2025, after due testing and compliance with the prescribed conditions, including installation of an AB Switch before the metering arrangement and an AMR modem, and to submit the charging report to the Circle Office after completion of the work.

Analysis and Ruling:

5. Heard the parties and perused the documents on record. The Appellant is a HT Industrial Consumer (No. 075949020720) of the Respondent. The Appellant is engaged in the manufacture and processing of iron and steel products.

6. The principal grievance of the Appellant is that the Maximum Demand (MD) recorded by the Special Energy Meter (SEM) installed on 21.06.2025 was computed on the basis of a alleged 5-minute sliding window methodology instead of consecutive fixed 15-minute blocks as contemplated under Regulation 2.2(gg) of the MERC (Electricity Supply Code and Standards of Performance of Distribution Licensees including Power Quality) Regulations, 2021. According to the Appellant, such methodology resulted in excess billing for the months of June to September 2025.

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7. The Respondent, on the other hand, contends that the SEM was installed at the specific request of the Appellant for availing Open Access. The correspondence placed on record establishes that the Appellant itself applied on 10.02.2025 for installation of the SEM, following which MSEDCL processed the proposal through the prescribed procedure. The Competent Authority approved the metering specifications on 19.03.2025, the meter was duly tested by the Testing and Quality Assurance Laboratory, approval for charging the SEM was granted on 12.06.2025, and the Executive Engineer was instructed to install and charge the SEM on 17.06.2025. The SEM Installation Report (Format-III) was thereafter submitted on 08.07.2025. These documents clearly demonstrate that the replacement of the meter was undertaken as part of the process for enabling Open Access and not as a unilateral act of the Respondent.

8. The Appellant has, however, stated that although the SEM was installed in June 2025, no Short-Term Open Access (STOA) was sanctioned until October 2025 and, during the disputed period from June to September 2025, it continued to receive its entire electricity supply from MSEDCL as a regular HT-I(A) consumer. According to the Appellant, the present dispute is confined to billing by MSEDCL prior to commencement of Open Access and, therefore, falls within the jurisdiction of this Authority.

9. The record thus indicates that the installation of the Special Energy Meter was undertaken solely in anticipation of the Appellant availing Open Access, whereas the actual commencement of Open Access admittedly took place only from October 2025. Consequently, the bills for the months of June to September 2025 were admittedly raised by MSEDCL while supplying electricity as the Distribution Licensee.

10. The controversy, therefore, is not with regard to the sanction of Open Access or the installation of the SEM, both of which are substantially supported by the documentary record, but relates to whether the methodology adopted for computation of Maximum Demand through

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the installed SEM is in conformity with the applicable MERC Regulations and the relevant Tariff Orders governing the billing of HT consumers. The determination of this issue requires examination of the statutory definition of "Maximum Demand", the relevant regulatory framework, and the Commission's orders relied upon by both parties.

11. The core of the dispute lies in the discrepancy between the billing methodology defined by regulations and the technical implementation of the newly installed HT meter.

1. **Fixed 15-Minute Block Integration (Regulatory Standard)**

   This methodology defines time as a series of non-overlapping, discrete intervals. The Maximum Demand is calculated as the average power consumption recorded over each complete, predetermined block.

   - **Mechanism:** The meter captures data in strictly defined segments (e.g., 00:00 to 00:15, 00:15 to 00:30).
   - **Characteristics:** Consumption data from one block does not influence the calculation of another. The demand value is effectively a "snapshot" of the average load for that specific, static window of time.

2. **5-Minute Sliding Window Integration (Appellant's Claim)**

This methodology employs a dynamic or "rolling" interval, providing a more granular and continuous assessment of demand.

- **Mechanism:** The meter calculates the average power consumption over a 15-minute duration, but the window "slides" forward every 5 minutes.
- **Technical Effect:** By recalculating the average every 5 minutes (using data from the previous 15-minute span), the meter effectively checks for demand peaks more frequently.
- **Impact:** This approach is more sensitive to short-duration power spikes. Because the window overlaps with previous and future blocks (e.g., the window 00:05–00:20 shares 10 minutes of data with the 00:00–00:15 window), it captures fluctuations that might be smoothed out or missed by a strictly fixed 15-minute block calculation.

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Table 3:

Comparison Summary

Comparison Summary of Fixed 15-Minute Blocks & 5-Minute Sliding Window Blocks with interval of 15 minutes		
Feature	Fixed 15-Minute Blocks : 00:00-00:15; 00:15-00:30; 00:30-00:45; ... 23:45-00:00.	5-Minute Sliding Window Block :o 5-minute sliding window: 00:00-00:15; 00:05-00:20; 00:10-00:25; 00:15-00:30; and so on.
Window Type	Discrete/Static	Overlapping/Dynamic
Calculation Frequency	Once per 15 minutes	Once per 5 minutes
Sensitivity	Captures average block demand	More sensitive to short-term spikes
Data Interaction	Independent intervals ofl5 minutes	Interdependent intervals of dynamic 15 minutes

The Appellant contends that the **Sliding Window** methodology by recalculating demand more frequently results in a higher likelihood of recording a peak Maximum Demand compared to the **Fixed Block** methodology mandated by the prevailing regulations.

The Respondent bills the HT Consumers as per data received through MDAS. To ensure technical clarity and consistency when communicating with the manufacturer regarding the contested Maximum Demand (MD) data, the following structured exercise is to be done. This approach isolates the specific event in question while maintaining the integrity of standard Meter Data Acquisition System (MDAS) reporting protocols.

12. In view of the above, the Respondent is directed

(i) to send the MRI data of the meter for the period from 21.06.2025 to 30.09.2025 to the manufacturing company (Schneider) and confirm whether billing was based on 5 minutes sliding slots method with consecutive 15 minutes block or 15 minutes

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blocks. It is requested to the manufacturing company that, if possible, to convert the 5 minutes sliding slot data of the meter into 00:00 to 00:15 minutes block and redefine the data monthwise into kVA MD.

(ii) The Respondent is directed to revise the bill accordingly.

(iii) Respondent to submit compliance within two months from the date of this order.

13. The representation is disposed of accordingly.

Sd/
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