

BEFORE THE ELECTRICITY OMBUDSMAN (MUMBAI)

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

REPRESENTATION NO. 15 OF 2024

In the matter of recovery of service connection charges for extension of load.

Khialdas Vishindas Laungani..... ..Appellant
(Consumer No. 021512061262)

V/s.

Maharashtra State Electricity Distribution Co, Ltd. Ulhasnagar 1Respondent
(MSEDCL)

Appearances:

Appellant : 1. Shyam Laungani
2. Jagansingh Rajput, Representative

Respondent : 1. Pravin Chakole, Executive Engineer, Ulhasnagar 1
2. Shri. J. S. Fulpagare , Addl. Ex.Engineer, Ulhasnagar Sub Div- 4


Coram: Vandana Krishna [IAS (Retd.)]

Date of hearing: 6th May 2025

Date of Order : 28th May 2025

ORDER

This Representation was filed on 25th March 2025 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


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dated 5th March 2025 in Case No. 121 of 2024 passed by the Consumer Grievance Redressal Forum, MSEDCL, Kalyan Zone (the Forum). The Forum by its order principally rejected the grievance of the Appellant. The operative part of the order is as below:

“The Respondent is directed to verify the reason for delay in load extension. In case of delay from Respondent’s side, the SOP compensation, if any, is to be compensated to the Applicant as per MERC Regulation.”


2. The Appellant has filed this Representation against the order passed by the Forum. He has basically challenged the levied service connection charges. An e-hearing was held on 6th May 2025 through Video Conference. The parties were heard at length. The Respondent’s submissions and arguments are stated first as below. *[The Electricity Ombudsman’s observations and comments are recorded under ‘Notes’ where needed.]*

- (i) The Appellant has been a power loom consumer since 11.10.1974. The relevant statistical data, including consumer number, address, load details, and additional load sanctioned, etc. is presented in the table below:

Table 1

Appellant	Consumer No.	S. L./ C. D. (KVA)	Address	Date of Supply	First Addl. Sanctioned Load dt. 03.05.2023	Second Addl. Sanctioned Load dt. 18.08.2024	Total Sanctioned Load
Khialdas Vishindas Laungani	021514000463	50 KW/ 30 KVA (as per initial sanctioned)	Plot No 34, Part No 1, Jhulelal Compound Industrial Area, Ulhasnagar-4	11.10.1974	25 KW/ 63 KVA	37 KW/ 47 KVA	112 KW/ 140 KVA

- (ii) The details of the application date, applied load, contract demand, sanction date, service connection charges, payment status, and load release are summarized in Table 2 as below:


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Table 2

Particulars	Applied Load (KW)	Contract Demand (KVA)	Application Date	Sanctioned Date	Service Connection Charges (Rs.)	Payment done in	Load Released	Remarks
Initial	50	30		11.10.1974				First Sanction
Additional	25	63	28.02.2023	03.05.2023	46,900	May-23	May-23	
Additional	37	47	23.07.2023	18.08.2023	76,950	Aug-23	Aug-23	Second Sanction
Total	112	140			1,23,850			

- (iii) The Appellant applied on 28th February 2023 for an additional load of 25 KW / 63 KVA, increasing the capacity from 50 KW / 30 KVA to 75 KW / 93 KVA. The request was approved by the Executive Engineer through a letter dated 3rd May, 2023. Following the payment of the firm quotation, the load was promptly extended from 50 KW to 75 KW as shown in Table 2.
- (iv) Subsequently, the Appellant again applied on 23rd July 2023 for an additional load of 37 KW / 47 KVA, increasing capacity from 75 KW / 93 KVA to 112 KW / 140 KVA. This request was approved by the Executive Engineer by letter dated 18th August 2023. The consumer made a payment of Rs.2,09,842/- on 31st August 2023, against the firm quotation. Upon payment, the load was successfully extended from 75 KW to 112 KW as shown in Table 2.
- (v) The Respondent referred to the MSEDCL Circular dated 7th April 2020 effective from 1st April 2020 which outlines the Schedule of Charges applicable to various MSEDCL services. **This circular is based on MERC Multi-Year Tariff Control Period (FY 2020-21 to FY 2024-25) Order** in Case No. 322 of 2019 issued on 30th March 2020. The key provisions of the circular are as below:

“Sub: Schedule of Charges for various services of MSEDCL (with effect from 1st April 2020.)

Ref: MERC Multi-Year Tariff Control Period FY 2020-21 to FY 2024-25 Order dt. 30th March - 2020, for MSEDCL (Case No. 322 of 2019).


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The Maharashtra State Electricity Commission (MERC or Commission) has put in place the MERC (Electricity Supply Code and Other Condition of Supply), Regulation 2005. Accordingly, each Distribution licensee in the State of Maharashtra has to submit the proposal of "Schedule of Charges" for various services to fulfil the obligation to supply electricity under the Electricity Act 2003 and other relevant Regulations during tariff determination before the Commission in accordance with clause 18 of MERC Regulation 2005.


Basically, these charges are for the recovery of investments made for availing supply of electricity (from the distributing main to the applicant's premises) and various other services (such as releasing temporary supply, change of name, meter testing on request, shifting the utility services on request, Installation inspection & testing of meters etc.) provided to the consumers. Income from these charges forms a part of the non-tariff income of DISCOMs.

The Commission vide order under ref. above has approved the revision in "Schedule of Charges" payable by the consumers for various services provided by the MSEDCL. Such schedule of charges shall be applicable with effect from 1st April - 2020. The approved Schedule of charges under different heads are as under:

SERVICE CONNECTION CHARGES FOR OVERHEAD & UNDERGROUND SUPPLY:

- 1.1 The overhead & underground service connection charges are broadly classified into two categories viz. LT Supply and HT Supply and further well classified in different load slabs and will be applicable as per Annexure-A (for Overhead)/ Annexure-B (for Underground).*
- 1.2 In case the consumer applies for an additional load or contract demand i.e. extension of load and if the release of additional load/ contract demand entails any works, the normative charges shall be recovered for the total load/ contract demand (existing as well as additional load) as per the applicable load slabs, indicated in Annexure-A (for Overhead)/ Annexure-B (for Underground).*


.....
2. SERVICE CONNECTION CHARGES FOR NEW UNDERGROUND CONNECTION:


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CATEGORY		APPROVED CHARGES (₹)
<i>Low Tension (LT) Supply</i>		
<i>a. Single Phase</i>		
.....		
<i>b. Three Phase</i>		
<i>i</i>	<i>Motive power up to 27 HP or other loads up to 20 kW</i>	13,800
<i>ii</i>	<i>Motive power above 27 HP but up to 67 HP or other loads above 20 kW but up to 50 kW.</i>	24,300
<i>iii</i>	<i>Motive power above 67 HP but up to 134 (201) HP or other loads above 50 kW but up to 100 (150) kW.</i>	46,900
<i>iv</i>	<i>Motive power above 134 HP but up to 201 HP or other loads above 100 kW but up to 150 kW.</i>	71,100


- (vi) The Respondent also referred MSEDCL Circular dated 18th May 2023, outlining the Schedule of Charges for various MSEDCL services effective from 1st April 2023. This circular is based on the MERC Order in Case No. 226 of 2022 issued on 31st March 2023 which specifies that for **motive power above 134 HP but up to 201 HP, or for other loads above 100 kW but up to 150 kW, the applicable charge was Rs. 76,950/-**.
- (vii) Both circulars dated 7th April 2020, and 18th May 2023 were recorded, with their wording largely identical except for slight variations in rates, which are based on MERC Tariff Orders.
- (viii) The Appellant filed the case before the Forum on 21st October 2024 challenging the levy of service connection charges. The Forum rightly rejected the grievance application by its order.
- (ix) The Respondent strongly objects to the appearance of Mr. Jagansingh Rajput (Consumer Representative) in the present case. While Mr. Rajput has represented multiple consumers before both the Forum and the Ombudsman, he has not submitted any deed or agreement


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establishing that he is a business associate of the concerned consumer. Therefore, he cannot be presumed to be a partner, friend, or relative of every consumer he represents. Furthermore, he has failed to grasp the fundamental aspects of the grievance and has instead relied on negative propaganda and unwarranted behaviour.

- (x) The Appellant's representative has cited examples of load extensions from other divisions, alleging inconsistencies in service connection charges. However, at this stage, a detailed examination of each case is unnecessary. The Appellant has failed to consider the fundamental principles outlined in the relevant circulars and the underlying philosophy of the Commission's Tariff Orders. These criticisms appear to stem from an incomplete understanding of the regulations and seem intended merely to pressure the Respondent through coercive tactics.
- (xi) The Appellant has had ample opportunities to consult the relevant competent authorities of MSEDCL. The Consumer Grievance Redressal Forum is established to address individual grievances as per the definitions of "Complainant" and "Grievance"; **it is not a platform for challenging the Commission's policies on service connection charges.**
- (xii) If a consumer opts to undertake new connection or load extension work under the Dedicated Distribution Facility (DDF) Scheme, as per the system requirement of modifications in existing infrastructure, and if the competent authority has sanctioned this estimate under DDF, the consumer is required to pay only supervision charges of 1.3% in cases where the DDF work is carried out by the consumer. If the estimated cost of the DDF work exceeds the amount of Service Connection Charges, such a consumer is totally exempted from paying service connection charges. If the DDF estimate charges are less than the Service connection charges, the consumer has to pay the difference amount. In short, every case has its separate merit. The sanctioning authority evaluates all these aspects while approving new connections and load extensions.
- (xiii) In view of the above, it is requested to reject the Representation of the Appellant.


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3. The Appellant's submissions and arguments are stated as follows: -

- (i) The Appellant has been a power loom consumer since 11th October 1974. The consumer's statistical data, including the first and second instances of load extension in 2023, is presented in Table 1 and Table 2.
- (ii) The Appellant applied for load extension (enhancement) twice, as mentioned in Table 2 and on both occasions, MSEDCL recovered Service Connection Charges from him. His first application for load extension was submitted on 28.02.2023, with a stipulated release timeline of 30 days. However, the load was only released on 08.05.2023. No material was required or provided by MSEDCL, yet an amount of Rs. 46,900/- was recovered from the Appellant as **Service Connection Charges**.
- (iii) His second application for load extension was submitted on 23.07.2023, again with a stipulated release timeline of 30 days. However, the load was only released on 23.08.2023. No material was required or provided by MSEDCL, yet an amount of Rs. 76,950/- was recovered from the Appellant as Service Connection Charges. **Despite no material being required for the load extension, Service Connection Charges was still charged.**
- (iv) Moreover, there are instances where load extensions were processed without recovery of Service Connection Charges, as evidenced by the details kept on record. The list of such sample consumers is provided below in Table 3.

Table 3

Sr. No.	Application Date	Application No.	Consumer No.	Category	Sanctioned Load	Remarks
1	28.09.2023	13138987	0215113746731	Ind.	27 HP	New Connection
2	28.09.2023	51015945	0215129051887	H T	900 KW	New Connection
3	16.01.2023	46538184	020023131501	Res.	1 KW	New Connection
4	03.02.2023	47063443	02168082065	Ind.	65 HP	Load Extension
5 to 12
13	21.08.2023	49936472	021515316334	Comm.	14 KW	Load Extension


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It is necessary to have a common practice thorough out the jurisdiction of MSEDCL, and a high-level inquiry be initiated thereof.


- (v) In view of the above, the Appellant prays that the Respondent be directed
- (a) to refund the total amount of Rs.1,23,850/- recovered as Service Connection Charges along with applicable interest.
 - (b) to initiate disciplinary action against the employees responsible for the delay in sanction of load and the wrongful imposition of Service Connection Charges.
 - (c) to compensate an amount of Rs. 50,000/- for the mental agony and harassment suffered.

Analysis and Ruling

4. Heard the parties and perused the documents on record. The Appellant has been a power loom consumer since 11th October 1974. The consumer's statistical data, including the first and second instances of load extension in 2023, is detailed in Table 1 and Table 2. The primary activity of the Appellant remains power loom operations.

5. The Appellant applied for load extension (enhancement) twice, as mentioned in Table 2 and on both occasions, MSEDCL recovered Service Connection Charges from him. The main grievance of the Appellant is regarding this recovery of service connection charges, when apparently no new infrastructure work was carried out or necessary. In effect he is questioning the policy behind collection of service connection charges as formulated by MERC.

6. The summary of Appellant's additional load is tabulated as below:



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Particulars	First Sanction		Second Sanction		
	Existing	Additional	Total	Additional	Total
Applied Load (KW)	50	25	75	37	112
Contract Demand (KVA)	30	63	93	47	140
Service Connection Charges (Rs.)	46,900		76,950		1,23,850
Payment done in	May-23		Aug-23		
Load Released	May-23		Aug-23		

7. The Commission, through its Tariff Orders in Case No. 322 of 2019 (dated 30.03.2020, effective from 01.04.2020) and Case No. 226 of 2022 (dated 31.03.2023, effective from 01.04.2023) has specified the amounts for service connection charges as follows:

Table 9-6:				
Service Connection Charges for New Underground Connection approved by Commission.				
CATEGORY		As per MYT order in Case No 322 of 2019	Proposed SoC by MSEDCL in MTR petition (Rs.)	Charges approved by Commission (Rs.)
i	Motive power up to 27 HP or other loads up to 20 kW.	13,800	As per Estimate on case to case basis	14,940
ii	Motive power above 27 HP but up to 67 HP or other loads above 20 kW but up to 50 kW.	24,300	As per Estimate on case to case basis	26,300
iii	Motive power above 67 HP but up to 134 (201) HP or other loads above 50 kW but up to 100 (150) kW.	46,900	As per Estimate on case to case basis	50,760
iv	Motive power above 134 HP but up to 201 HP or other loads above 100 kW but up to 150 kW.	71,100	As per Estimate on case to case basis	76,950
	Applicable from	01.04.2020		01.04.2023
Note	<p>1. In case MSEDCL permits an applicant to carry out the works through a licensed Electrical contractor (LEC), a rate of 1.30% of the normative charges will be applicable towards supervision charges.</p> <p>2. In case of extension of load entails any work or change in load slab, the normative charges will be applicable on the total load (existing) as well as additional load demanded) as per the load slabs indicated above.</p> <p>3. The road opening charges vary from area to area hence will be levied on actual basis.</p> <p>4. The GST will be levied extra as per applicable rates.</p>			


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8. **Applicability of Service Connection Charges:** In both instances where the Appellant extended the load, the change in load slab warranted a corresponding revision in the applicable service connection charges. Therefore, the Appellant was liable to pay these charges as per the revised slab structure. Any other service connection charge cases referred to by the Appellant are not relevant to this particular appeal and do not require further examination.

9. Considering the above facts, the Applicant's obligation to pay service connection charges in both instances of load extension is firmly established. The Forum's decision in this matter is well-reasoned, based on applicable regulations, and is therefore upheld.

10. The representation is rejected and disposed of accordingly.

Sd/
(Vandana Krishna)
Electricity Ombudsman (Mumbai)


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