

BEFORE THE ELECTRICITY OMBUDSMAN (MUMBAI)

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

REPRESENTATION NO. 23, 24, 25, 26 & 27 OF 2025

In the matter of Change of tariff from Commercial to Street Lights/Public Services

Rep. No.	Name of Consumer	Consumer No.
23/2025	National Highway Authority of India	075531007140
24/2025	National Highway Authority of India	075580004491
25/2025	National Highway Authority of India	075880036653
26/2025	National Highway Authority of India	075941755747
27/2025	National Highway Authority of India	076290004396

.....Appellant

V/s.

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

Appearances:


Appellant: Vaibhav Vaze, Site Engineer

Respondent: 1. H.S Bansod, Dy. Ex. Engr, Sinnar-I Sub-dn.
2. V.P. Harak, Dy. Ex. Engr, Sinnar-II Sub-dn.
3. P.A. Gangurde, Dy. Manager, Nashik Rural Dn.

Coram: Vandana Krishna (IAS (Retd.))

Date of hearing: 20th May 2025

Date of Order : 2nd June 2025


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Secretary
Electricity Ombudsman Mumbai




ORDER

These Representations were filed on 7th April 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 Common Order dated 7th February 2025 (Consumer Nos.075531007140, 075580004491, 075880036653 & 076290004396) and order dated 18th March 2025 (Consumer No. 075941755747) passed by the Consumer Grievance Redressal Forum, MSEDCL, Nashik (the Forum) in Case Nos. 183, 184, 188, and 190 of 2024, and Case No. 189 of 2024 respectively.

The Forum, by these orders, rejected the 5 grievance applications of the Appellant. The Forum observed that the Neon Light Hoardings involved in Case Nos. 183, 184, 188, and 189 of 2024, as well as the premises claimed to be a "Bhakt Niwas" in Case No. 190 of 2024 (for which no supporting documentary evidence was provided), were rightly classified under LT II – Non-Residential or Commercial Tariff Category. These classifications were made in accordance with the Tariff Order issued by MERC on 30th March 2020 in Case No. 322 of 2019 (with effect from 1st April 2020 to 31 March 2023), and the subsequent Tariff Order dated 31st March 2023 in Case No. 226 of 2022 (with effect from 1st April 2023).

2. Aggrieved by these 2 orders of the Forum, the Appellant has filed these five representations independently in Rep. No. 23 to 27 of 2025 which are clubbed together for a common order as the subject matter is similar in nature. A physical hearing was held on 20th May 2025. 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, National Highways Authority of India have taken six electricity connections from the Respondent, MSEDCL on the Shirdi - Sinnar highway. Out of these, five electricity connections are used for Neon Light Hoardings and one for Bhakt Niwas, which provides free accommodation and cooking facilities for devotees. A summary of these connections, including consumer numbers,


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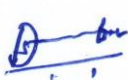


sanctioned load, date of supply, purpose of use, and current billing under the Commercial Tariff Category, is presented in the table below.

Table 1

Rep. No.	Name of Consumer	Consumer No.	Address	Sanct. Load (KW)	Date of Supply	Activity	Tairiff Category applied from date of supply	Forum Case No.	Grievance filing Date	Forum's order date
23/2025	National Highway Authority of India	075531007140	Gut No 13 Sinnar Shirdi Highway, Sinnar Nashik, Wavi Pin 422104	1.7 KW	10.10.2023	LED Advertising Hoarding	Commercial	183/2024	15.04.2024	07.02.2025
24/2025	National Highway Authority of India	075580004491	38/1 Bhokani, Sinnar, Nashik, Bhokani	9 KW	10.11.2023	LED Advertising Hoarding	Commercial	184/2024	15.04.2024	07.02.2025
25/2025	National Highway Authority of India	075880036653	137, Pathare Bk, Near Shirdi Sinnar Highway, Sinnar Nashik Pathare Bk. Pin-422104	2 KW	14.09.2023	LED Advertising Hoarding	Commercial	188/2024	15.04.2024	07.02.2025
26/2025	National Highway Authority of India	075941755747	Near Dhanya Godam Musalgaon, Sinnar- Nashik, Musalgao, Pin-422112	2 KW	01.11.2023	LED Advertising Hoarding	Commercial	189/2024	15.04.2024	18.03.2025
27/2025	National Highway Authority of India	076290004396	Gut 979/1/2/2b, Waregaon- Sinnar -Nashik, Waregaon	125.8 KW/ 157 KVA	01.10.2023	Bhakt Niwas	Commercial	190/2024	15.04.2024	07.02.2025


- (ii) The National Highways Authority of India (NHAI) is a statutory body established by an Act of Parliament under the administrative control of the Ministry of Road Transport and Highways. The National Highways Project is a central initiative aimed at addressing the country's transportation needs, supporting economic growth, and enhancing the Gross Domestic Product (GDP). The primary objective of this project is to expand transport capacity and improve road safety, thereby facilitating the efficient movement of goods and passenger traffic on heavily trafficked national highways.
- (iii) NHAI is responsible for the implementation and oversight of the Central Government's share in a publicly funded infrastructure project in the Sinnar-2 division of Nashik


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district. As part of this, NHAI has undertaken the four-laning of the Shirdi–Sinnar section of National Highway 160 (NH-160), spanning approximately 50.943 kilometers, under the Hybrid Annuity Mode. Previously a two-lane highway, this section serves as a critical corridor for pilgrims traveling by foot to the Shri Sai Baba Temple at Shirdi, especially from cities such as Nashik, Mumbai, Surat, and regions of Andhra Pradesh. The Shirdi–Sinnar corridor serves as the shortest and most convenient route for pilgrims traveling to the revered Shri Sai Baba Temple. To further enhance the pilgrimage experience, NHAI has constructed a dedicated *Palkhi Marg* (Service Road) to accommodate devotees who undertake the barefoot journey from Sinnar town to the Shirdi Temple.

- (iv) As a part of the project, NHAI has provided public amenities including street lighting, subway lighting, high-mast lights, guest houses, hoardings, and accommodation facilities for devotees which are all offered free of cost for the benefit and convenience of local residents and road users. Accordingly, the Appellant is undertaking the supply of electricity as part of this initiative, specifically for public utility and welfare purposes.
- (v) Pursuant to NHAI's request for electricity connections at the aforementioned location, MSEDCL conducted a site inspection and subsequently provided the required connections at designated points. As the electricity supply is intended for public use under an initiative implemented by NHAI, the applicable tariff should fall under the Street Light/Public Services category. However, MSEDCL has erroneously categorized these connections under the Commercial Tariff category, which is not applicable to such public utility services.
- (vi) Consequently, NHAI has formally contested this classification and requested MSEDCL to revise the tariff category from Commercial to Street Light/Public Services, with retrospective effect from the date of the release of connections. Despite repeated representations and grievances submitted by NHAI, MSEDCL has failed to take any corrective action in this regard.
- (vii) **The toll collected by NHAI from road users is specifically levied only for the**


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maintenance and upkeep of road infrastructure. It does not cover the cost of ancillary facilities such as street lights, toilets, high mast lighting, traffic signals, guest houses, hoardings, or accommodation for devotees. The electricity bills of street lights, hoardings, Bhakt Niwas, etc. are paid directly by NHAI, and not by the toll collecting contractor. Furthermore, toll charges are not imposed on local residents who routinely use the city roads for their daily commute.

(viii) In addition, two rest houses for devotees (Bhakt Niwas) have been developed at Khopadi and Waregaon villages to offer essential facilities for pilgrims. These rest houses are equipped with:

- Rooms for rest and overnight stay
- Food and dining facilities
- Toilets and bathing areas
- Medical aid services
- Traffic Aid Posts
- Multipurpose meditation halls

(ix) The Bhakt Niwas facilities function as wayside amenities in accordance with Clause 12.6 of IRC: SP: 84:2019. These premises include a Traffic Aid Post (TAP), staffed by traffic police to ensure road safety and manage vehicular movement, as well as a Medical Aid Post (MAP), equipped with paramedical personnel to provide first-aid treatment for accident and trauma victims. Additionally, the premises offer essential amenities such as toilets for use by road users / travellers. Given the nature and purpose of these facilities which clearly fulfill codal requirements and statutory obligations aimed at public welfare, it is evident that the Bhakt Niwas structures are not commercial establishments. Accordingly, it is respectfully submitted that the associated electrical installations be reclassified under the Public Services Tariff Category, as they are intended solely for religious, public utility, and statutory purposes, and not for commercial gain.

(x) During the hearing it was informed that for most of the year (except for a specific season), the Bhakt Niwas remains unused / locked.


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(xi) **Digital Variable Message Screens on Hoardings:**


Digital Variable Message Screens (VMS) have been installed in compliance with directives issued by the Ministry of Road Transport and Highways. These screens are used exclusively for displaying real-time messages related to road conditions such as warnings about congestion, rockslides, or other safety alerts. It is important to note that no commercial advertisements are displayed on these screens.

Typical messages displayed include:

- Fasten Seat Belt
- Avoid Using Mobile While Driving
- Drive at a Safe Speed
- Don't Drink and Drive
- Your Safety Is Our Priority

These VMS displays are strictly intended for public safety and awareness, aligning with national road safety objectives and not for any commercial purposes.

- (xii) This erroneous classification under the Commercial tariff category is contrary to the actual usage which falls under Street Lighting/Public Services. This misclassification has resulted in a significant and unjustified financial burden on the Appellant. As a result, NHAI is incurring substantial losses due to inflated electricity bills at the concerned locations.
- (xiii) Accordingly, NHAI filed grievance applications before the Forum in Case Nos. 183, 184, 188, 189, and 190 of 2024, as detailed in Table 1. In these applications, the Appellant sought retrospective reclassification of the tariff category from Commercial to Streetlight/Public Services. However, the Forum, by its orders dated 07.02.2025 and 18.03.2025, rejected these grievances, as shown in Table 1.
- (xiv) The Forum failed to properly appreciate the core issue and erred in dismissing the grievances without due consideration of the relevant facts and applicable legal provisions. It ought to have recognized that NHAI is implementing an initiative for the


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supply of electricity strictly for public purposes, and therefore, the application of the Commercial tariff category is wholly inappropriate and unjustified. The orders passed by the Forum are thus erroneous, legally unsustainable, and liable to be set aside.

- (xv) The Appellant cited the judgment dated 09.09.2024 in Appeal No. 230 of 2024, along with I.A. No. 2314 of 2023 and I.A. No. 363 of 2024, passed by the Appellate Tribunal for Electricity (ATE), in support of its arguments.
- (xvi) The Respondent has reclassified the streetlight connections associated with the Sinnar–Shirdi project from the *Commercial* tariff category to the *Street Light* tariff category, in accordance with the Forum’s orders in Case No. 169/2024 and Case Nos. 177 to 193/2024.
- (xvii) In accordance with the Electricity Act, 2003 (the Act), and Regulation 14 of the Maharashtra Electricity Regulatory Commission (Electricity Supply Code and Standards of Performance of Distribution Licensees including Power Quality) Regulations, 2021 (Supply Code & SOP Regulations, 2021), it is the responsibility of the Distribution Licensee (MSEDCL) in this case to classify or reclassify a consumer under the appropriate tariff category, strictly based on the purpose of electricity usage. The regulation explicitly states that the Distribution Licensee shall not introduce or apply any tariff category other than those approved by the Commission.
- (xviii) The Appellant prays that the Respondent be directed to immediately reclassify the tariff category from 'Commercial' to 'Street Light /Public Services' Tariff Category and to refund the amount retrospectively recovered on account of the tariff difference between the Commercial and Street Light/Public Services categories.

3. The Respondent filed its reply on 09.05.2025. Its submissions and arguments are stated as below:


- (i) The Appellant holds six electricity connections, five of which are dedicated to neon light hoardings, and one is allocated for the Bhakt Niwas. Details such as consumer numbers, sanctioned load, and purpose etc., are tabulated in Table 1.
- (ii) The Appellant submitted applications for new electricity connections through the


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MSEDCL Online Web Self Service (WSS) portal under the Commercial Tariff Category on 30.07.2023. The Respondent processed and released all six connections between September and November 2023, as detailed in Table 1. This followed the completion of required formalities, including site surveys, tariff category confirmation, payment of statutory charges, and submission of Test Reports for the electrical installations. The A1 application forms for the new connections have been duly recorded. All six connections have been billed under the Commercial Tariff Category from their respective dates of energization.

- (iii) The Forum, through its orders dated 07.02.2025 and 18.03.2025, has rightly rejected these grievances, as detailed in Table 1.
- (iv) The Respondent carried out a joint site inspection (with the Appellant) of the concerned consumers on 27.06.2024. During the inspection, it was observed that the electricity supply for five of the connections was being utilized for digital display hoardings, typically used for advertising or public information such as Variable Message Signs related to traffic rules, social messages, tree plantation campaigns, etc. The remaining connection was found to be used for facilities under the premises of the so-called Bhakt Niwas, which includes an administrative building, trauma center, canteen cum restaurant, common toilets, and high-mast lighting.
- (v) The Respondent referred to the Tariff Order of the Commission dated 31.03.2023 in Case of 226 of 2022 (effective from 01.04.2023). The Respondent argued that the Commission's Tariff Order clearly stipulates **that hoarding, including those affixed to lamp posts or installed along roadsides, are classified as non-residential. As these do not fall under any other specific tariff category, they are appropriately placed under the LT-II Tariff Category.** The National Highways Authority of India (NHAI) collects toll charges as a premium for access to specific roads, which are primarily developed through public-private partnerships under various contractual terms. The digital display hoardings in question are not intended for the general public using common roads, but rather serve targeted commercial interests. The Licensee, MSEDCL, though a public sector utility, is also subjected to payment of toll charges


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at commercial rates each time its personnel access these roads to carry out operation and maintenance activities related to electricity supply for NHAI. Importantly, no exemption or special pass has been granted to the Respondent for such operational and maintenance duties on NHAI-managed roads.

- (vi) The Appellant has failed to provide sufficient details or justification for classifying the Bhakt Niwas as falling under the "Public Services – Others" tariff category. While the Bhakt Niwas may currently be operated by NHAI or its private partner, the NHAI has not furnished any documentary evidence regarding the entity responsible for its ongoing management. It is also noted that the facility appears to be rarely functional. The sanctioned load for the Bhakt Niwas is 125.8 kW / 127 kVA. The connected load for the administrative building, trauma center, common toilets, and high-mast lighting is relatively low, whereas the load attributed to the canteen-cum-restaurant is significantly higher, indicating commercial use. Furthermore, there is no clarity regarding the operational status of the Bhakt Niwas. At times, it has been claimed that the “Shri Sai Baba Sansthan Trust, Shirdi” would manage the facility, but no official confirmation has been provided. Therefore, there is no valid basis to reclassify the tariff category of the Bhakt Niwas located in Pathare village from “Commercial” to “Public Services – Others.” It is also pertinent to mention that, of the two Bhakt Niwas, one is currently billed under the Street Light tariff category due to the absence of a separate electricity connection.
- (vii) In view of the above, the Respondent prays that the Representations of the Appellant be rejected.

Analysis & Ruling

4. Heard the parties and perused the documents on record. The Appellant, NHAI, holds a total of six electricity connections that are the subject of the present appeal before this Authority. Of these, five connections are assigned to LED display hoardings on the highway,


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and one connection is allocated to the "Bhakt Niwas" facility. Details such as dates of supply, connected loads, purpose of each connection etc., are tabulated in Table 1.

5. The Appellant contended that it has taken power supply for Digital Variable Message Screens (VMS) hoardings installed as per Ministry directives to display non-commercial road safety messages such as "Fasten Seat Belt" and "Drive at a Safe Speed." These connections, billed under the Commercial Tariff Category, are intended solely for public awareness and should fall under the Street Light Tariff Category.

6. The Appellant further highlighted the development of Bhakt Niwas at Waregaon village, which provides free amenities for pilgrims, including restrooms, dining facilities, medical aid, traffic aid posts, and meditation halls. As these serve as public wayside amenities fulfilling statutory and welfare functions, the associated electricity connection should be classified under the Public Services Tariff Category, not as Commercial.

7. The Respondent contended that a joint inspection on 27.06.2024 revealed that five connections powered digital display hoardings for public messaging, while the sixth served various facilities within Bhakt Niwas premises. The Respondent cited the Commission's Tariff Order dated 31.03.2023 (Case No. 226 of 2022) to justify the continued application of the Commercial Tariff.

8. The tariff rates applicable for 2023-24 for commercial, street lights, and Public Services – Others are as below: -


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Tariff category	Consumption Slab	Fixed Charges per month (Rs.)	Energy (Rs.)	Wheeling Charges (Rs.)
Commercial	< 20 kW	470.00	8.27	1.17
Streetlight	Gram Panchayat, A, B & C Class Municipal Councils	129.00	6.63	1.17
Public Services - Others	< 20 kW	388.00	4.13	1.17

The following issues are identified for consideration in this case.

Issue 1: Whether MSEDCL has appropriately billed the LED display hoardings under the LT-II – Non-Residential-Commercial Tariff Category?

The Tariff Order dated 31.03.2023 of the Commission in Case No. 226 of 2022 (effective from 01.04.2023) is reproduced as below:

LT II: LT – Non-Residential or Commercial

Applicability:

A). 0-20kW


This tariff category is applicable for electricity used at Low/Medium voltage in non-residential, non-industrial and/or commercial premises for commercial consumption meant for operating various appliances used for purposes such as lighting, heating, cooling, cooking, entertainment/ leisure and water pumping in, but not limited to, the following premises:

*a) **Non-Residential**, Commercial and Business premises, including Shopping Malls and Showrooms, Exhibition Centres;*

e) Toll Collection plazas;

k)

*(c) Advertisements, **hoardings (including hoardings fixed on lamp posts/installed along roadsides)**, and other commercial illumination such as external flood-lights, displays, neon signs at departmental stores, malls, multiplexes, theatres, clubs, hotels and other such establishments.*


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9. This Tariff Order specifically includes **advertisements and hoardings, including those mounted on lamp posts or along roadsides**. As per the Tariff Order, roadside hoardings are treated as non-residential and fall under the LT-II category. Since these do not qualify for any other specific tariff classification, the current categorization is appropriate.

10. It is notable that currently the Commission has not specifically mentioned ‘digital hoardings’, digital VMS (variable message screens), or safety related digital hoardings. By default, all such uses would be covered under ‘non-residential’, which is classified in the same category as ‘commercial’. It is up to the MSEDCL / Appellant to approach the Commission for specifically including the above use in a particular category.


The issue is answered in the **AFFIRMATIVE**.

Issue 2: Whether MSEDCL has correctly billed the “Bhakt Niwas” under the LT-II – Non-Residential/Commercial Tariff Category?

The Appellant, NHAI, has constructed Bhakt Niwas at Waregaon village to provide free essential amenities for pilgrims, including rest rooms, dining areas, toilets, bathing facilities, medical aid, restaurants, traffic aid posts, and meditation halls. These premises operate as public wayside amenities, featuring Traffic and Medical Aid Posts to ensure road safety and emergency response. As the facilities currently serve religious and public welfare functions and fulfill statutory obligations, they do not qualify as commercial establishments. Therefore, the associated electricity connection should be classified under the “Public Service – Others” Tariff Category instead of the Commercial Category. The Respondent expressed concern that the restaurant may be used commercially in the future; however, they retain the right to monitor usage and revise the classification if needed. At present, the connection qualifies as “Public Service – Others.”

The issue is answered in the NEGATIVE.

11. The order of the Forum is modified to the extent indicated below.


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12. The representations Nos. 23, 24, 25, and 26 of 2025 filed by the Appellant are hereby rejected. However, the Representation No. 27 of 2025 is allowed. It is directed that

- (a) The Appellant shall submit an application for change of tariff category of Bhakt Niwas on the MSEDCL's WSS Portal by following the standard procedure, for conversion from LT-II (Non-Residential/Commercial) to "Public Services – Others."
- (b) Thereafter, the Respondent to change the tariff category as per the procedure.
- (c) Compliance to be submitted within two months from the date of issue of this order.
- (d) Other prayers of the Appellant are rejected.

13. The representations of the Appellant are disposed of accordingly.

Sd/
(Vandana Krishna)
Electricity Ombudsman (Mumbai)


(Dilip Dumbre)
Secretary
Electricity Ombudsman Mumbai

