# **BEFORE THE ELECTRICITY OMBUDSMAN (MUMBAI)**

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

#### **REPRESENTATION NO. 73 OF 2021**

#### In the matter of refund of excess demand charges

Hi. Tech Aqua Agro Products ...... Appellant

V/s.

Maharashtra State Electricity Distribution Co. Ltd., Nashik Urban II (MSEDCL).....Respondent

Appearances:

Appellant	: Dr. Shashikant Gaikwad
Respondent	: S. M. Dhalpe, Addl. Executive Engineer, Nashik Urban II

## Coram: Deepak Lad

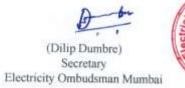
Date of hearing: 16<sup>th</sup> November 2021 Date of Order : 25<sup>th</sup> November 2021

#### ORDER

This Representation is filed on 8<sup>th</sup> November 2021 under Regulation 19.22 (d) of the Maharashtra Electricity Regulatory Commission (Consumer Grievance Redressal Forum and Electricity Ombudsman) Regulations, 2020 (CGRF Regulations 2020).

## Preamble

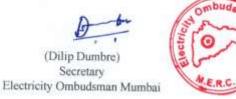
2. The Appellant had initially filed the grievance in Consumer Grievance Redressal Forum Nashik (the Forum) on 1<sup>st</sup> September 2021. However, the Forum not being operational due to vacancy of





Chairperson and Independent Member, the case could not be heard for more than 60 days. Therefore, the Appellant was informed that it can file the Representation under Regulation 19.22 (d) if it deems it fit. Accordingly, the Appellant filed this Representation.

- 3. The Appellant has filed this Representation stating in brief as under: -
  - (i) The Appellant is an industrial consumer (No. 049830001084) from 03.08.2010 at Gut No. 148/3/2, At Vilholi, Tal. & Dist. Nashik having Sanctioned Load (SL) of 48.92 HP and Contract Demand (CD) of 60 KVA initially, and 14 KVA from March 2019.
  - (ii) The meter is replaced in September 2019.
  - (iii) During Covid-19 epidemic, reading was not taken from March 2020 to July 2020. The meter was read in August 2020 and KVA MD was shown as 52.590. This appears to be incorrect.
  - (iv) In the successive bills of September 2020, Oct 2020 and Nov. 2020 the KVA readings were recorded as 77.90. The constant readings of KVA MD for all these three months is highly impossible. Similarly, KVA MD for December 2020, Jan 2021 & Feb 2021, have recorded as 87.36. This is also highly impossible. The only possible answer could be that there was some issue with MD recording by the meter.
  - (v) The Respondent has done site inspection on 18.03.2021 and observed that the KVA MD reading of the meter was 87.36. It means that it was not getting 'auto reset'. It was further noticed by the Respondent during inspection that the display of the 'date and time' of the meter were inaccurate. The display was showing the date as 01.01.2019 instead of the actual date 18.03.2021. These findings substantiate that the meter is not working properly.
  - (vi) Appellant requested to consider the KVA MD reading on the average basis prior to March 2020 for billing purpose as per procedure.
  - (vii) The supply of the Appellant is disconnected on 12.02.2021 by the Respondent.
  - (viii) The grievance not being resolved by the Respondent, the Appellant filed the grievance with Internal Grievance Redressal Cell (IGRC) on 27.05.2021. The IGRC, by its order dated 05.08.2021 has directed to bill the consumer with 25 KVA MD for the period March 2020 to February 2021.





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- (ix) Not satisfied with the order of the IGRC, the Appellant approached the Forum on 01.09.2021. The Forum being not constituted, the Appellant filed the instant Representation.
- (x) The Appellant prays for
  - Revision of disputed bill for correction in KVA MD from August 2020 to Feb 2021 be done as per the applicable Rules and Regulations.
  - The penalty, interest, and Delayed Payment Charges (DPC) be withdrawn from the revised corrected bills.
  - ➤ Rs.10000/- as compensation for physical and mental agony.

4. The Respondent MSEDCL by its letter dated 12.11.2021, has filed its reply stating in brief as below: -

- (i) The Appellant is an Industrial Consumer (No. 049830001084) from 03.08.2010 at Gut No. 148/3/2, At Vilholi, Tal. & Dist. Nashik having SL of 48.92 HP and CD of 14 KVA at present. This industry is a high-quality water purifier plant.
- (ii) Excess KVA MD is recorded for the period from August 2020 to February 2021. The Appellant is billed with recorded MD for the said period. The supply of the Appellant was disconnected on 12.02.2021 due to nonpayment of outstanding dues.
- (iii) The site inspection was carried out and it was observed that KVA MD of the meter was not auto resetting at the end of the month, from August 2020 onwards.
- (iv) The meter data was therefore sent to M/s. Genus, the Manufacturer of the meter for analysis. It informed that

"In case of RTC fail, the meter will be record cumulative energy correctly. But MD cannot be preferred for billing purpose as MD stamping date will be incorrect due to RTC issue."

- (v) The Appellant filed its grievance in IGRC on 27.05.2021. The IGRC by its order dated 05.08.2021 has directed
  - "1. Due to RTC fail recorded MD is not correct.
  - 2. From CPL, it is observed that use of power supply from billing month Jan-2017 to Feb 2020 is minimum so MD recorded during this period cannot consider for assessment for March-

(Dilip Dumbre) Secretary Electricity Ombudsman Mumbai



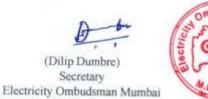
2020 to February 2021 billing. Average per month consumption from billing month May 2016 to December 2016 is 3173 units and actual Maximum recorded MD during May 2016 to December 2016 is 25 KVA.

- 3. Revised the actual bill demand from billing month March 2020 to February 2021 by 25 KVA.
- 4. Consumer are requested to pay revised bill.
- 5. During reconnection after payment, replaced meter".
- (vi) As per the order of the IGRC the bill of the Appellant was revised for amount of Rs.112727/with 25 KVA MD per month for the period March 2020 to February 2021 as average MD recorded was observed 25 KVA per month from May 2016 to December 2016.

5. Physical hearing was held on 16.11.2021 at Conference Hall of SCADA Control Room of MSEDCL, Nashik. The Appellant argued in line with its written submission. It contended that the meter manufacturer has opined that the KVA MD recording mechanism of the meter was faulty. Therefore, in such case, KVA MD needs to be considered in accordance with Regulation 16.4.2 of Maharashtra Electricity Regulatory Commission (Electricity Supply Code and Standards of Performance of Distribution Licensees including Power Quality) Regulations, 2021 (Supply Code & SOP Regulations 2021), and revision be effected accordingly. The Respondent, however, maintained that it has acted upon the order of the IGRC.

## **Analysis and Ruling**

6. Heard both the parties and perused the documents on record. The Appellant is an Industrial Consumer engaged in water purifier plant, having SL of 48.92 HP and CD of 14 KVA at present. The Respondent carried out the site inspection in August 2020 and observed that KVA MD of the meter was not auto resetting. Therefore, the Appellant was billed with higher KVA MD that was shown on the meter. This resulted in levy of penalty as demand recorded was more than CD. Therefore, the meter data was sent to M/s. Genus, the Manufacturer of the meter for analysis. It informed that





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"In case of RTC fail, the meter will be record cumulative energy correctly. But MD cannot be preferred for billing purpose as MD stamping date will be incorrect due to RTC issue." (Emphasis added)

The data for the period August 2020 to February 2021 was a disputed period as the Respondent disconnected the supply on 12.02.2021 for nonpayment of the outstanding dues.

7. The data from July 2020 to February 2021and for the same period in the previous year is tabulated below.

	Current Year 2020-21					Previous Year 2019-20				KVA MD for		
Sr.No.	Month	Disputed period	Recorded demand (KVA)	Actual Billed demand (KVA)	KWh Consumption	Month	Recorded demand (KVA)	Actual Billed demand (KVA)	KWh Consumption	billing purpose during disputed period as per Reg. 16.4.2		
1	Jul-20		1	6	186	Jul-19	2	6	1075	NA		
2	Aug-20		53	34	15819*	Aug-19	0	6	0	6		
3	Sep-20		78	51	6399	Sep-19	0	6	0	6		
4	Oct-20	Aug 2020 to Feb 2021	78	51	8935	Oct-19	3	6	1482	6		
5	Nov-20		78	51	5129	Nov-19	3	6	156	6		
6	Dec-20		87	57	1973	Dec-19	3	6	182	6		
7	Jan-21		87	57	6833	Jan-20	3	6	176	6		
8	Feb-21		87	57	185	Feb-20	3	6	199	6		
*Accur	*Accumulated reading for April 2020 to August 2020											

The Appellant also cited Regulation 16.4.2 of the Supply Code & SOP Regulations 2021 for considering KVA MD when the meter's KVA MD mechanism does not operate properly. The said Regulation 16.4.2 is reproduced below:

"16.4. Billing in the Event of Defective/ stuck/stopped/burnt Meters

16.4.2 In case, the Maximum Demand Indicator (MDI) of the meter at the Consumer's installation is found to be faulty or not recording at all (unless tampered), the Maximum Demand for the month shall be considered as Maximum Demand recorded during the corresponding month/billing cycle of previous year, when the meter was functional and recording correctly. In case, the recorded Maximum Demand of corresponding month/billing cycle of past year is also not available, the maximum demand corresponding to the preceding/succeeding month/billing cycle of previous year, whichever is higher shall be considered: Provided further that Maximum Demand shall be billed as per methodology prescribed in the Tariff Order from time to time."



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In view of the above provision and analysis of the Manufacturer of the meter, KVA MD that needs to be charged for the disputed period will be 6 KVA as could be seen from the above table. However, KWh recorded and billed by the Respondent will not change.

- 8. I, therefore, direct the Respondent
  - (a) To revise the bill of the Appellant considering 6 (six) as KVA MD for the period from August 2020 to February 2021. DPC and interest charged, if any, is waived of.
  - (b) To submit compliance within two months from the date of this order.
- 9. Other prayers of the Appellant are rejected.
- 10. The Representation is disposed of accordingly.

Sd/-(Deepak Lad) Electricity Ombudsman (Mumbai)

