

BEFORE THE ELECTRICITY OMBUDSMAN (MUMBAI)

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

REPRESENTATION NO. 200 OF 2019

In the matter of Change of Tariff Category

Abdul Rehman Chavanivala Appellant

V/s.

Maharashtra State Electricity Distribution Co. Ltd. Vasai (MSEDCL)..... Respondent

Appearances

For Appellant : 1. Javed Siddiqui
2. Vasant K. Vaze, Representative

For Respondent : 1. A. S. Mirza, Additional Executive Engineer
2. V. M. Gokhale, Lower Division Clerk


Coram: Deepak Lad

Date of Order: - 6th January 2020

ORDER

This Representation is filed on 18th November 2019 under Regulation 17.2 of the Maharashtra Electricity Regulatory Commission (Consumer Grievance Redressal Forum & Electricity Ombudsman) Regulations, 2006 (CGRF Regulations) against the order dated 11th September 2019 passed by the Consumer Grievance Redressal Forum, MSEDCL Kalyan Zone (the Forum).


2. The Forum by its order dated 11th September 2019 has dismissed the grievance application No. K/E/1591/1912 of 2019-20.


(Dilip Dumbre)
Secretary
Electricity Ombudsman Mumbai



3. Aggrieved by the order of the Forum, the Appellant filed this representation stating in brief as below: -


- (i) The Appellant is a consumer (No. 001940162382) of the Respondent from 18.10.2011 for the purpose of Tabela at Chavanivala Dairy Farm, Essamanu Compound, Pelhar, Vasai East Road. The Appellant has been wrongly billed as per commercial tariff from date of supply. The actual activity is of rearing of cows and buffaloes in the Tabela which includes washing, feeding, etc. in hygienic environment hence the large portion of electricity consumption is mainly for water pump. The cattle breeding is a part and parcel in the Tabela. The milk is extracted, collected and sold in the market as an agricultural activity. Therefore, the activities done in the Tabela are covered under Cattle Breeding Farms. The actual tariff category should be LT IV (C): LT – Agriculture – Others as per the latest tariff order of the Maharashtra Electricity Regulatory Commission (the Commission).
- (ii) The Appellant referred the order of the Baramati Forum dated 14.03.2019 in Case No. 2 of 2019 where the Forum has considered these activities as Industrial. The Appellant pointed out that the Chief Engineer (Commercial) of the Respondent has issued a letter No. PR3/tariff/003429 dated 28.01.2002 to the Superintending Engineer Vasai regarding application of appropriate tariff - Complaint of Tabela Malak Sanghatana. The contents of the letter is reproduced as below:
- “In this regard, it should be noted that the categorization of consumer and applicability of tariff inter-alia depends upon the nature of power supply and purpose of power supply. In view of this, the application of LD-2 Non Domestic tariff for the general lighting purpose is appropriate. However, in respect of three phase power supply availed by these members for lifting of water, the appropriate tariff would be LTP-G-General Motive Power tariff (as is applicable in case of water pumps installed by Co-operative Residential Societies), since the load used for such a purpose based to be motive power load.”*
- (iii) The Appellant prayed that the Respondent be directed to apply tariff category of LT IV (C): LT – Agriculture – Others considering cattle breeding farm or to apply Industrial tariff considering agricultural industry.


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Secretary
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4. The Respondent MSEDCL has submitted their reply dated 13.12.2019 stating in brief as under: -

- (i) The Appellant is a Commercial Consumer (No.001940162382) from 18.10.2011 for the purpose of Tabela at Chavaniwala Dairy Farm, Essamanu Compound, Pelhar, Vasai East Road. The Appellant has been billed as per commercial tariff from date of supply.
- (ii) The Appellant is carrying the activity of Dairy Farm which includes extraction of milk from cows/buffaloes which are nurtured professionally in the Tabela especially for the purpose of milk to be sold in market. Hence, it is a Commercial activity i.e. LT II: LT- Non-Residential or Commercial. As per the order dated 12.09.2018 in Case No. 195 of 2017 of the Commission, the activity of Milk Processing / Chilling Plants (Dairy) is only categorized in Industrial tariff.
- (iii) The Respondent carried out spot inspection on 29.03.2019 of the premises of the Appellant to ascertain usage of electricity during which it was observed that Appellant was carrying out activity of rearing the buffaloes, cows for extraction of their milk and selling the milk in the market which is their prime activity. The Respondent observed that there is no scientific activity of breeding or hybridization of buffaloes or cows for production of new varieties which is expected in cattle breeding farm activity. The actual breeding activity is minor in nature, which is done through conventional method, hence, the activity cannot be said to be cattle breeding farm activity in true sense and LT IV (C): LT – Agriculture – Others tariff cannot be applicable.
- (iv) The Respondent pointed out that as per the tariff order dated 16.08.2012 in Case No.19 of 2012 of the Commission, “cattle breeding farms” was categorized under LT-II: LT- Non-Residential or Commercial tariff. However, as per the Tariff Order dated 26.06.2015 in Case No.121 of 2014 “cattle breeding farm” has been recategorized under LT IV (C): LT – Agriculture Metered - Others tariff. Similarly, “cattle breeding farm” was kept in the same category i.e. LT IV (C): LT – Agriculture – Others in tariff order dated 03.11.2016 in Case No. 48 of 2016 and tariff order dated 12.09.2018 in Case No. 195 of 2017.


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(v) The Forum, by its order dated 11.09.2019 addressed all these issues and rightly rejected the grievance. Therefore, Respondent prayed that the representation of the Appellant be rejected.

5. The hearing was held on 23.12.2019. During the hearing, the Appellant and the Respondent argued in line with their written submissions. The Appellant argued that this is ancestral profession of rearing of cows and buffaloes. The production of milking activity is a Small-Scale Industry and part of White Revolution however, the Respondent is not supporting the milk industry but penalizing the Appellant by applying wrong tariff. The Appellant stated that the activity of the Appellant is cattle breeding farm. The special type of He- buffalos/bulls are brought from Gujarat, Haryana etc. for cattle breeding purpose which are done by scientific manner. The major consumption of electricity is three phase motive power water pump of borewell and Respondent was directed to bill in industrial in 2002. Tabela is not categorized under Commercial category in any tariff order. Hence, the Appellant prayed that the Respondent be directed to apply LT IV (C): LT – Agriculture – Others tariff category considering cattle breeding farm or to apply Industrial tariff considering agricultural industry.

6. The Respondent argued that the Appellant is billed correctly in Commercial tariff from date of release of supply as purpose of the Tabela is of commercial nature. Tabela activities cannot be termed as Industrial as no manufacturing activity is involved. There was general motive power tariff previously before the Electricity Act 2003 which was referred by the Appellant. The tariff is not applicable at present. There is no cattle breeding activity in Tabela. The Respondent stated that if the Appellant wants to change its tariff category, he should participate in public hearings of tariff determination before the Commission. The Forum, by its order dated 11.09.2019 has rightly rejected the grievance. The Respondent prayed that the representation of the Appellant be rejected.

Analysis and Ruling

7. Heard the parties and perused the documents on record. There are many Tabelas (Dairy Farms) especially in Vasai area. Normally buffaloes and cows are reared in these Tabelas for milk production as well as other activities. The Appellant did not produce scientific



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methodology of cattle breeding as per the norms of Government of Maharashtra. The activity of breeding as contended by the Appellant is traditional one and further it is not exclusive activity at the Tabela. Hence the claim of the Appellant that his Tabela is a cattle breeding farm does not sustain. As per the Appellant, out of the total load, major load is of water pump which is used for maintenance of general hygiene, bathing cows and buffaloes and keeping the environment clean. There is no manufacturing process. Hence, the activity of the Tabela cannot be considered as an Industrial activity.

8. In view of the above, there is no need to interfere with the order of the Forum. The representation of the Appellant is rejected.

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


(Dilip Dumbre)
Secretary
Electricity Ombudsman Mumbai

