

**BEFORE THE CONSUMER GRIEVANCES REDRESSAL FORUM
OF NORTHERN POWER DISTRIBUTION COMPANY OF A.P.
LIMITED: WARANGAL.**

02nd Day of January, 2012.

Present : Sri. T. Sadarlal : Chairperson
Sri. G. Raveendranath : Member (Accounts)
Sri. K. Ramesh : Member (Legal)
Sri. A. Sudharshan Reddy : Co - Opted (Member)

C.G. No. 322/2011 of Khammam Circle

Between

Sri. D. Koteswar Rao
M/s. Laxmi Rice & Dal Mill,
S.C. No. 260500209, Cat-III (B)
Gundrathimadugu-Village,
Konjerla-Section,
Wyra-Post,
Khammam-Dist.
Pin Code No. 507165 (A.P.).

Complainant

AND

1. Assistant Divisional Engineer/Operation/Rural/Khammam.
2. Assistant Divisional Engineer/Operation/Rural/West/Khammam.
3. Assistant Accounts Officer/ERO/Town/Khammam.
4. Divisional Engineer/Operation/Khammam.
5. Senior Accounts Officer/Operation Circle/Khammam.

Respondents

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Sri. D. Koteswar Rao, M/s. Laxmi Rice & Dal Mill, Gundrathimadugu-Village, Konjerla-Section, Wyra-Post, Khammam-Dist., hereinafter called as the complainant in her complaint dated. 17.09.11 received and registered on dated. 17-09-11, under Clause 5(7) of APERC Regulation 1 of 2004 read with Section 42(5) of Electricity Act 2003, stated the following :-

- i. Sri. Dodda Koteswar Rao, S/o. Bhadraiah running the M/s. Laxmi Rice & Dal Mill.

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- ii. The mill was started during the Year of 1994 till then to and up-to-date they have paid all C.C. bills pertaining to S.C. No. 260500209, sanctioned by the department without any delay.
- iii. During the month of 07/2011 they had met the Superintending Engineer/Operation/Khammam and requested to him that they are going to connect their service connection in to HT Category.
- iv. The Assistant Divisional Engineer/Operation/Rural/East/Khammam has issued a notice during the month of 06/2011 stating that the service connection is having additional load, hence the category should be changed into HT Category. In response to the Assistant Divisional Engineer's notice they had already intimated for change of category to the departmental officials.
- v. Though the bills were issued by the Assistant Accounts Officer/ERO concerned against this service connection under HT Category from the month of 07/2011 onwards they had paid the said bills.
- vi. They had taken this service connection to polish the boiled rice for 70 HP Kons & elevator was constructed during the month of 05/2011. Due to this they went to change the category under HT to this extent they had full-filled all the departmental formalities.
- vii. On 15.09.11, the Assistant Accounts Officer/ERO/Town/Khammam, has issued a notice for payment of an amount of Rs. 5,52,979/- by them.
- viii. As per the notice issued by Assistant Divisional Engineer/Operation/Rural/East/Khammam, during the month of 06/2011 wherein he has intimated them to regularize the additional load or to change the category under HT against this service connection.
- ix. But the Assistant Accounts Officer/ERO/Town/Khammam has suddenly served the notice stating that they had to pay the amount under HT Category for this service connection from the month of 08/2008 onwards.
- x. When the Assistant Divisional Engineer/Operation/Rural/ East/ Khammam has inspected the service connection during the month of 06/2011 (i.e., on 10.06.11) how the back billing was done from the month of 08/2008 onwards.
- xi. They had met the Assistant Accounts Officer/ERO concerned on this aspect, he has said that their service was inspected during the month of 08/2008 only. But they had not issued any notice in this regard for regularization of their additional load. Moreover if the HT billing done

for this purpose at that time only it can be acceptable that the service connection was inspected by the Assistant Divisional Engineer during the month of 08/2008 only.

- xii. It is fact that the load has increased during the month of 06/2011 only. Hence he has requested to waival of the amount as per the notice issued which is fake.
- xiii. The actual HT billing against this service connection shall be done from the month of 08/2011 onwards.
- xiv. The complainant has requested to the Forum that the Assistant Accounts Officer/ERO concerned has given only 15 days for payment otherwise the service connection will be disconnected. He has submitted that the justice is to be done to him and until the finalization of the case at Consumer Grievances Redressal Forum, the service connection shall not be disconnected.

2. As a sequel to the above complaint, Assistant Divisional Engineer/ Operation/Rural/Khammam, Assistant Divisional Engineer/Operation/Rural/West/Khammam, Assistant Accounts Officer/ERO/Town/Khammam, Divisional Engineer /Operation/Khammam and Senior Accounts Officer/Operation Circle/Khammam, were directed to file their written submissions vide notice dated. 23.09.2011.

No reports were submitted by the respondents. Till the date of hearing is conducted by the Forum on 16.12.2011 at 3.30 P.M.

3. The hearing was proposed and conducted on 16.12.11 in the Chamber of Chairperson/Consumer Grievances Redressal Forum/NPDCL/ Warangal. During the hearing conducted at 3.30 P.M., the Assistant Accounts Officer/ ERO / Rural/ Khammam and Divisional Engineer/ Operation/ Khammam have attended, and the complainant has also attended the hearing.

The complainant and the respondents have stated during the hearing as follows :-

Complainant :-

- i. Sri. Dodda Venkateshwar Rao, Partner of M/s. Laxmi Rice & Dal Mill is submitting that their S.C. No. 209, H.T. Cat-III (B) was back billed since 08/2008 for exceeding the contracted demand as sanctioned by the department as per the inspection made by them.
- ii. But they have no information regarding making inspection to their service connection in the first instance during the Year 2008 and no advice was given by the department to convert their service under HT Category.
- iii. Now the concerned Assistant Accounts Officer/ERO notice dated. 15.09.11 issued a notice for payment of short fall amount of Rs. 5,52,979/- against their service connection.
- iv. If the said information already communicated by the department officials at that time they might have requested the Assistant Divisional Engineer & Divisional Engineer for their load inspection and might be under the purview of LT III (B) category only duly reducing their load within the sanctioned load under this category.
- v. As per the inspection made during 06/2011 by the departmental officials and they informed them to convert their service connection under the HT Category from III (B) in view of load contained at that time beyond the sanctioned load under this category.
- vi. Accordingly they have paid an amount of Rs. 100/- by way of Demand Draft to convert their service connection under HT Category with CMD 120 KW.
- vii. Now the bills were also issued under HT Category to their service connection sanctioned.
- viii. Further he has submitted that if the HT billing was made to their service connection during the month of 08/2008 onwards for their service connection, they might have been already converted their service connection from LT III (B) to HT at that time only.
- ix. Finally he has requested the Forum kindly waival of back billing amount proposed to their service connection from the period 08/2008 to 06/2011 as they have no intimation regarding exceeding the contracted demand is sanctioned by the department.

RESPONDETS :-

I. The Assistant Accounts Officer/ERO/Rural/Khammam :-

- i. In response to the C.G. No. 322/11, Dt. 22.09.11, Khammam Circle, S.C. No. 209 released under Cat-III (B) with the connected load 150 HP.
- ii. During 07/2008, DPE Wing inspected the premises of S.C. No. 2605 00209 and confirmed that connected load is 219 HP for which Assistant Divisional Engineer/Operation/Rural/East/Khammam issued a P.A. Notice to the consumer.
- iii. Consumer neither reduced his load nor regularized.
- iv. During 06/2011 DPE Wing inspected the premises and confirmed that connected load of the services is 264 HP.
- v. The Assistant Divisional Engineer/Operation/Rural/East/Khammam again issued a P.A. notice to the consumer.
- vi. This service was billed under HT Tariff in 07/11 and consumer accepted the bill and paid it, if the Assistant Divisional Engineer / Operation/ Rural/East/Khammam confirmed that load of the service is 264 HP.
- vii. Hence this service was billed under HT Tariff with effect from 08/08 to 06/2011 and difference tariff amount is clubbed in consumer bill in 08/2011.
- viii. It is clear that consumer is utilizing excess load then sanction load since from 07/2008.

II. The Divisional Engineer/Operation/Khammam :-

- i. It is to submit that based on DPE inspection reports and Assistant Divisional Engineer/Operation/Rural/Khammam provisional assessment notices, the consumer is utilizing more than his sanction loads hence differential tariff were raised to the consumer.

The Assistant Accounts Officer/ERO/Town/Khammam has attended the hearing and submitted a report vide his letter dated. 09.12.11, stated the following :-

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- i. The S.C. No. 260500209, existing in the name M/s. Laxmi Rice & Dal Mill, released under Cat-III at Gundrathimadugu in Konijerla Section during the Year 1994.
- ii. On 22.07.2008, Sri. K. Narshima Rao, Divisional Engineer/DPE along with Sri. B.V.S. Srinivasa Rao, Assistant Divisional Engineer/DPE-II inspected the S.C. No. 260500209 and confirmed that connected load as 219 HP and which is more than the sanction load. Sanction load of the service is 150 HP only.
- iii. Based on the inspection report of Divisional Engineer/DPE/ Khammam, Assistant Divisional Engineer/Operation/Rural/East/ Khammam issued a assessment notice to the consumer vide Lr. No. ADE/OP/ SD/R/KHM/Doc.85/08-09/D. No. 815/08/Dt. 08.08.08, and requested to regularize the load within 30 days period.
- iv. Consumer neither regularized the load nor reduced the load and continuing his business.
- v. Again on 10.06.11, Sri. K. Bhadrupawar, Assistant Divisional Engineer/DPE-II, inspected the S.C. No. 260500209 and confirmed that connected load as 264 HP.
- vi. Based on the inspection report of Divisional Engineer/DPE, Assistant Divisional Engineer/Operation/Rural/East/Khammam issued a assessment notice to the consumer vide Lr. No. ADE/OP/ SD/R/KHM/Doc.85/08-09/D. No. 815/08/Dt. 08.08.08, and requested to regularize the load within 30 days period.
- vii. Based on the inspection report of Assistant Divisional Engineer/DPE-II, S.C. No. 260500209 was being billed under HT Tariff with effect from 10.06.11 as per the General Terms and Conditions of Supply and consumer accepted the bills and paid the amounts under H.T. Tariff.
- viii. From the above it is clear that consumer of the S.C. No. 260500209 had un authorized load from the long back.
- ix. As per the Clause 12.3.3.2 (i) General Terms and Conditions of Supply if the connected load exceeds 56 KW/75 HP such services should be billed under H.T. from the date of inspection. Hence based on the DPE inspection information short fall amount calculated between HT and LT tariff from 08/2008 to 06/2011 for an amount of Rs.5,52,979-00 and included in 09/08 bill.
- x. Further it is to submit that the consumer of the S.C. No. 260500209 regularized the load and converted into HT in October 2011.

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- xi. From the above it is clear that consumer is utilizing un-authorized load long back and it is reasonable to pay the shortfall amount for the period from 08/2008 to 06/2011.

4. Analysis of the Case :-

The contention of the complainant is that the Assistant Accounts Officer/ERO/Town/Khammam has issued a notice on 15.09.11 for payment of an amount of Rs. 5,52,979/- for exceeding the sanctioned load against his S.C No. 260500209 for the back period with effect from 08/2008 to 06/2011.

Their service connection was inspected by the DPE Wing during the month 07/2011 and issued a notice by the department officials to regularize their load or to convert this service connection from LT III (B) to HT Category in view of the exceeding sanctioned load as allowed by the department. The complainant has also agreed for this and he has paid an amount of Rs. 100/- through demand draft to convert their service connection from LT III (B) to HT Category. Now the main problem in this case is for disagreeing the complainant for non payment of amount levied by the departmental officials is that their service connection is being billed under HT Tariff since long back i.e., with effect from 08/2008 to 06/2011, stating that this service connection was already inspected by the DPE Wing in the earlier instance during the month of 07/2008, which is not justifiable as they have no information in the earlier instance of inspection done by the DPE Officials and not served any notice to them by the department in view of the exceeding load against their service connection. Further the complainant has also raised a question stating that if this is so correct as per the contention of the respondents, they should have been served the C.C. bills against this service connection under HT Tariff duly following the departmental procedures involved and as per the Clauses of the General Terms and Conditions of Supply at that time itself. This has not done till the second time inspection made by the departmental officials.

If the respondents would have served a notice to the complainant, at the time of first inspection of DPE Wing the consumer might have been converted to

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the H.T. Tariff b regularizing the additional load.

Hence the complainant has lodged a petition in the Forum requesting to waival of short fall raised amount against their service connection for the back period with effect from 08/2008 to 06/2011 by the respondents.

The procedure involved to follow by the respondents wherever consumers exceeding their sanctioned load as in this case happened according to General Terms and Conditions of Supply is furnished below :-

Clause 12.3.3.2 :-

Cases where the total connected load is above 75 HP/56KW or :-

- i. These services shall be billed at the respective HT Tariff Rates from the consumption month in which the unauthorized additional load is detected. For this purpose, 80% of connected load shall be taken as billing demand. The quantity of electricity consumed in any month shall be computed by adding 3% extra on account of transformation losses to the energy recorded in LT meter.
- ii. The company may at its discretion, for the reasons to be recorded and in cases where no loss of revenue is involved, continue LT supply. If the consumer, however, makes arrangements for switch over to HT supply, the Company shall release HT supply as per the rules.
- iii. On month notice will be given for payment of service line charges, development charges and consumption deposit required for conversion of LT service into HT service.
- iv. Service of such consumers who do not pay HT tariff rates or who do not pay the required service line charges, development charges and consumption deposit shall be disconnected immediately on expiry of notice period and these services shall remain under disconnection unless the required service line charges, development charges and consumption deposit are paid for regularizing such services by conversion from LT to HT category.

- v. If the consumer where required, does not get the LT services converted to HT supply and regularized as per procedure indicated above within three months from the date of issue of notice, the Company entitled to terminate the agreement by giving required notice as per Clause 5.9.4 of the General Terms and Conditions of Supply notwithstanding that the consumer is paying bills at HT tariff rates prescribed in Clause 12.3.3.2 (i) above.

Clause 12.3.3.3. :-

Cases where the total connected load is above 75 HP/56KW or cases where the total connected load above 150 Hp under LT Category III (B). These service will be billed at the HT Category-I tariff rates from the consumption month in which the unauthorized additional load is detected till such additional load is removed and got inspected by the Designated officer of the Company.

Not following the above guidelines properly by the respondents, this discrepancy has arised and without prior intimation to the complainant duly giving stipulated time as mentioned therein in connection with regularization of his additional load against his service connection or to convert the same from LT-III (B) to HT Category at the time of first inspection made by the DPE Wing i.e., from the month of 07/2008 onwards. Deviating these all things involved into the subject matter as far as this case is concerned simply the respondents have raised the amount for additional load utilized by the complainant from 08/2008 to 06/2011 has imposed after second inspection made against this service connection by the DPE Wing during the month of 06/2011 and issued a notice indicating an amount of Rs. 5,52,979/- for payment by the complainant issued in the bill for the month of 09/2011.

The respondents were not taken timely action in connection with regularization of load by the complainant duly collecting necessary charges as per the General Terms and Conditions of Supply on the first time inspection made by the DPE Wing during the month of 07/2008. Further as per the Terms and Conditions of Supply, the service shall be billed at the respective HT Tariff Rates

from the consumption month in which the unauthorized additional load is detected. But the respondents have failed to apply afore said Clauses of Terms and Conditions of Supply and to regularize the un-authorized load used by the consumer and atleast, the concerned authority has not inspected the premises of service based on the inspection report of DPE Wing and also he has not served one month notice as per the General Terms and Conditions of Supply for regularization of additional load. Neither, issued notice for payment additional load amount nor disconnected the supply.

From the above all and procedure followed by the respondents in levying the amount to the complainant for the utilized additional load against the sanctioned load indicating huge amount for the period from 08/2008 to 06/2011 is not genuine for payment by the complainant.

5. **ORDER :-**

The respondents are directed to withdraw the actual shortfall amount whatever raised against the S.C. No. 260500209 for the period from 08/2008 to 06/2011 as per the first inspection made during the month of 07/2008 deviating the Clauses 12.3.3.2 (i) to (v) and 12.3.3.3 of General Terms and Conditions of Supply.

Further they are directed to issue the bills to the complainant under HT Category from the month of second inspection made by the DPE Wing duly converting this service connection into HT Category from LT III (B) following the departmental procedures and General Terms and Conditions of Supply Clauses involved in it.

The complainant is also requested to pay the bills under HT Tariff according to the revised bills issued by the respondents from the month of second inspection made against his S.C. No. 260500209.

Due to non following the General Terms and Conditions of Supply/Clauses as said above this problem has arisen for which the departmental staff should be liable for initiating necessary departmental action according to the departmental procedures.

The respondents are directed to act as per the Clauses of Terms and Conditions of Supply and implement these orders and report compliance soon after redressal of the consumer grievance thereon within (15) days to the Forum.

If the said compliance report not received by the Forum within time as stipulated i.e., within 15 days the matter will be reported to the licensee for not implementing the orders issued by the Forum for taking necessary disciplinary action against the respondents as per the notice served in this case.

7. Reasons for Delay :-

There is a delay of about 62 days in deciding the petition. The reasons for delay are :-

- i. Non-receipt of reports from respondents.
- ii. Insufficient information filed by the complainants.
- iii. Due to Sakalajanula Samme participated by all the Government Organization.

8. If the complainant is aggrieved by the order of the forum he may represent to Vidyut Ombudsman, APERC, Singareni Bhavan, IVth Floor, Red Hills, Hyderabad-500 004, within (30) days of receipt of this order as specified in

clause (9) of Regulation 1 of 2004 of A.P. Electricity Regulatory Commission of A.P.

Signed on 02nd day of January, 2012.

Sd/-	Sd/-	Sd/-	Sd/-
K. RAMESH	G. RAVEENDRANATH	A. SUDHARSHAN REDDY	T. SADARLAL
MEMBER (LEGAL)	MEMBER (ACCOUNTS)	CO - OPTED (MEMBER)	CHAIRPERSON

Endt. No./C.P./C.G.R.F/NPDCL/WGL/C.G. No. 322/2011-1 Dt. 02.01.2012.

Copy to :-

The Superintending Engineer/Operation/NPDCL/Khammam.

The General Manager (IT)/Corporate Office/NPDCL/Warangal.

(He is requested to place the order in the Company's Website).

Sri. Dr. A. Sudharshan Reddy, President, Centre for Environmental Studies,

H. No. 2-2-421, Kishanpura, Hanamkonda, Warangal-Dist.

The Stock file.

//FORWARDED BY ORDER //

**Member (Legal)
Consumer Grievances Redressal Forum.**