

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

31st Day of December, 2011.

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. 323/2011 of Khammam Circle

Between

Sri. V. Naveen Kumar
M/s. Venkata Subbaiah Rice Mill,
S.C. No. 221300021, Cat-III
Kotha Kothuru-Village,
Nelakondapally-Mandal,
Khammam-Dist.

Complainant

AND

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

Respondents

@@@

Sri.V. Naveen Kumar, M/s. Venkata Subbaiah Rice Mill, Kotha Kothur-Village, Nelkondapally-Mandal, Khammam-Dist., hereinafter called as the complainant in his complaint dated. 18.09.11 received and registered on dated. 21-09-11, under Clause 5(7) of APERC Regulation 1 of 2004 read with Section 42(5) of Electricity Act 2003, stated the following :-

- i. Sri. Vangaveeti Naveen, S/o. V. Rama Rao, R/o. Nelkondapally-Village, running the M/s. Venkata Subbaiah Rice Mill.

Contd.2

- ii. The Mill was started in the Year of 1974 till-to-then and up-to-date without any problems the C.C. bills pertaining to this S.C. No. 221300021 are paying regularly without any delay. This service connection has sanctioned with a load of 74 HP.
- iii. During the month of 07/2011, the DPE Wing of the department have inspected the said service connection and intimated that this service connection is having load of 148 HP against the sanctioned load of 74 HP. At that time they had opposed for the same contention. The machinery which was brought by us for development of this Mill is also taken into consideration by the department for the load having at them.
- iv. The Assistant Divisional Engineer/Operation/Kusumanchi has issued a notice to the Mill for regularization of the load. Immediately the complainant has requested to the Assistant Divisional Engineer to inspect the load. But the Assistant Divisional Engineer has not inspected the load.
- v. Surprisingly during the month of 09/2011, the Assistant Accounts Officer/ERO/Rural/Khammam has issued a notice stating that they had utilized additional load against the sanctioned load from the month of 01/2009 for an amount of Rs. 4,45,112/- is to be paid by him. Otherwise the service connection will be disconnected.
- vi. In this connection it is to submit that their Mill is utilizing only 74 HP as per the sanction given by the department. The Mill is situated at remote area due to which they had not utilized additional load.
- vii. Prior to 07/2011, the department has not intimated or issued any notice in connection with utilizing the additional load. Hence he has requested the Forum to look into the subject matter as per the detailed information furnished by them in this regard and do the justice to them.

2. As a sequel to the above complaint, Assistant Engineer/ Operation/ Nelkondapally, Assistant Divisional Engineer/Operation/Kusumanchi, Assistant Accounts Officer/ERO/Rural/Khammam, Divisional Engineer /Operation/Khammam and Senior Accounts Officer/Operation Circle/Khammam, were directed to file their written submissions vide notice dated. 22.09.2011.

No reports were received from the respondents till the date of hearing is conducted by the Forum on 16.12.11 at 11.30 A.M.

Contd.3

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 11.30 A.M., the Assistant Divisional Engineer/Operation/ Kusumanchi, Assistant Accounts Officer/ERO/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. Vangaveeti Naveen Kumar, C/o. Venkata Ramana Rice Mill is submitting that due to their financial position they are unable to remove the existing machinery available at their premises.
- ii. Due to their financial crisis they are not in a position to pay the penalty as imposed by the department in this case.
- iii. They have requested the Forum to give a month of time for removal of the machinery now existing at their premises.
- iv. They have requested the Forum kindly, not to disconnect their service connection.
- v. Finally he has requested the Forum to give one week time to remove their machinery indicating date as up to 25.12.11. Due date January 2012.

Respondents :-

I. The Assistant Divisional Engineer/Operation/Kusumanchi :-

- i. The S.C. No. 221300021 existing in the name of M/s. Venkata Subbaiah Rice Mil inspected by DPE Wing during January, 2009 and confirmed that connected load of the service is 99 HP, for which P.A. Notice issued to the consumer. Consumer not responded.

- ii. Again this service was inspected by DPE Wing on 18.07.11 and confirmed that the connected load is 148 HP.
- iii. Based on DPE inspection again her self issued P.A. notice to the consumer in 07.2011. Consumer represented for physical inspection of the service to confirm the load.
- iv. The S.C. No. 221300021 inspected in 11/2011, and calculated that, connected load of the service is 74 HP, but machinery existing in the premises for 129 HP.
- v. On her observation, it is concluded that consumer is utilizing the machinery which is available.
- vi. He is removing only motors at the time of inspection. Hence, it is recommended for HT billing from 01/2009.

II. The Assistant Accounts Officer/ERO/Khammam :-

- i. It is to submit that S.C. No. 221300021, Cat-III (A) service released with the sanction load 74 HP.
- ii. This service was inspected by Assistant Divisional Engineer/DPE/Khammam during 01/2009 and confirmed that connected load is 99 HP which is more than sanctioned load.
- iii. The Assistant Divisional Engineer/Operation/Kusumanchi issued P.A. notice to the consumer to regularize the load or reduce the load to the extent of sanction load.
- iv. Consumer not turned up and not made any representation.
- v. Again this service was inspected by Assistant Divisional Engineer/DPE/Khammam during 07/2011 and confirmed connected load of the service is 148 HP.
- vi. The Assistant Divisional Engineer/Operation/Kusumanchi issued P.A. notice during 07/11 on the consumer.
- vii. From ERO/Rural/Khammam HT bill was issued in 07/2011 as connected load of the service exceeded 74 HP. On the same day oral confirmation taken from the Assistant Divisional Engineer/Operation/Kusumanchi and tariff difference between HT billing and LT billing calculated for the period from 01/2009 to 06/2011 and included in 08/2011 bill.

- viii. Consumer not paid the tariff difference amount from 01/09 to 06/11.
- ix. Consumer made payment bills under HT Tariff from 07/11 and accepted the load.
- x. Tariff difference is calculated from the date of DPE inspection (i.e. 01/2009). As per report of Assistant Divisional Engineer/Operation/Kusumanchi present existing machinery load is 129HP.

III. The Divisional Engineer/Operation/Khammam :-

- i. It is to submit that S.C. No. 221700021, M/s. Venkata Subbaiah Rice Mill at Kotha Kothuru, Nelkondapally Section have sanctioned load of 74 HP only.
- ii. But during the DPE inspections, the connected loads are found more than sanctioned load.
- iii. As per Assistant Divisional Engineer/Operation/Kusumanchi inspection reports consumer is removing and adding machine, as per their requirements hence excess loads were found in DPE wing two times inspections.
- iv. Additional machinery is also now available at premises.
- v. As per General Terms and Conditions of Supply date of inspection is the criteria to raise the HT Tariff difference amounts. Hence raised the tariff from 01/2009 to 06/2011.

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 :-

- i. The S.C. No. 221300021, existing in the name M/s. Venkata Subbaiah Rice Mill, released under Cat-III at Kotha Kothuru in Nelkondapally Section during the Year 1974.
- ii. On 07.01.2009, DPE Wing inspected the S.C. No. 221300021 and confirmed that connected load as 99 HP and which is more than the sanction load. Sanction load of the service is 74 HP only.
- iii. Based on the inspection report of Divisional Engineer/DPE/Khammam, Assistant Divisional Engineer/Operation/Kusumanchi issued a assessment notice to the consumer vide Lr. No. ADE/OP/SD/KSM/Doc/ 08-09/D. No. NIL/Dt. -01-09. 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 18.07.11, Sri. K. Bhadru Pawar, Assistant Divisional Engineer/DPE-II, inspected the S.C. No. 221300021 and confirmed that connected load as 148 HP.
- vi. Based on the inspection report of Divisional Engineer/DPE, Assistant Divisional Engineer/Operation/Kusumanchi issued a assessment notice to the consumer vide Lr. No. ADE/OP/SD/ KSM/ Doc.17/11/D. No.559/11/Dt. 29.07.11, 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. 221300021 was being billed under HT Tariff with effect from 18.07.11 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. 221300021 had an 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 01/2009 to 06/2011 for an amount of Rs.4,45,112-00 and included in 09/11 bill.
- x. Further it is to submit that consumer is utilizing un-authorized load since long back and it is reasonable to pay the shortfall amount for the period from 01/2009 to 08/2011.

The Assistant Divisional Engineer/Operation/Kusumanchi, has attended the hearing and submitted a report vide her letter dated. 15.11.11, stated the following :-

- i. It was inspected by the Assistant Divisional Engineer/Operation/Kusumanchi on 15.11.11, the premises of S.C. No. 21 located at Kotha Kothuru-Village along with Additional Assistant Engineer/ Operation/Nelkondapally and noted the following loads existing in the premises of the Industry.

| Sl. No. | Items | Load |
|----------------|---|------------------|
| 1. | Buddy Elevator | 3 HP |
| 2. | Dust Blower | 2 HP |
| 3. | Paddy Cleaner b/w Dust Blower & Rubber Cellar | 3 HP |
| 4. | Rubber Cellar | 10 HP |
| 5. | Separator | 3 HP |
| 6. | Rice Cleaner (Stones) | 2 HP |
| 7. | Elevator for Rice | 1 HP |
| 8. | Elevator for Whitener | 1 HP |
| 9. | Polish No. 1 (White No. 1) | 25 HP |
| 10. | Paddy Cleaner (Stones) | 2 HP |
| 11. | Whitener for Polish | 30 HP (No Motor) |
| 12. | Silky Elevator (For Silk & Polish) | 25 HP (No Motor) |
| 13. | Elevator (3) | 1 HP |
| 14. | Elevator (4) to send for whitener | 1 HP |
| 15. | Brown Blower (Separator) | 10 HP |
| 16. | Cyclone Blower | 2 HP |
| 17. | Air Lock Blower | 1 HP |
| 18. | Length Glader | 1 HP (No Motor) |
| 19. | Elevator (5) (To Separate for Rice & Broken Rice) | 1 HP |
| 20. | Filter (To Separate for Rice & Broken Rice) | 3 HP |
| 21. | Elevator from tine to (Whitener & Whitener to Separator) | 1 HP |
| 22. | Elevator for final product | 1 HP |

- ii. Total connected load is 73 HP existing at the time of inspection. But where as there is total machinery existing for 129 HP. In that consumer might be removed 56 HP load, after inspection of the DPE Wing.
- iii. While at the time of inspection, she has found that whitener for polish (rice) and silky elevator (rice) existing, but whereas there are no motors to run these two items.
- iv. In her opinion consumer might be removed motors for the above two items after DPE inspection.

4. **Analysis of the Case :-**

The contention of the complainant is that their S.C. No. 221300021 was inspected by the DPE Wing on 18.07.11 and found that the service connection is

having connected load as more than sanctioned load by the department. The inspection officials have taken into consideration of the machineries which were brought by us for the development of our mill due to which only the connected is exceeded against the sanctioned load. But actually we are utilizing only 74 HP load as per the sanctioned load given by the department. Moreover departmental officials have issued a notice to them stating that short fall amount raised for utilizing the additional load by them as per the inspection made by the DPE Wing in the first instance during the month of 01/2009 and found by them the service connection is having connected load of 99 HP which is more than sanctioned of 74 HP.

An amount of Rs. 4,45,112/- levied by the Assistant Accounts Officer/ ERO/Town/Khammam in the month of 09/2011 towards short billing in between H.T. Cat-I and LT Cat-III (A) in connection with utilization of additional load for the period from 01/2009 to 06/2011.

The complainant is not agreeing for payment of amount raised by the respondents towards short billing amount in connection with utilized additional load for the period from 01/2009 to 06/2011 stating that whatever the formalities involved in inspection of their service connection at the first instance was not informed to him at that time only or not even issued any bills to them under HT Tariff since date of detection.

According to the respondents version during the hearing conducted and as per the reports submitted by them stating that whenever they are inspecting this service connection the connected load is existing at that time 73 HP only according to the sanction load by the department. But where as there is total machinery existing in the consumer premises for 129 HP that more than the sanctioned load. The respondents are in the opinion that the consumer might have removed 56 HP after the inspection made by the DPE Wing in the second inspection. Hence this is position available at the time of again inspection made by the Assistant Divisional Engineer/Operation/Kusumanchi on 15.11.11 that is why she has expressed her opinion like above.

Though the DPE Wing has inspected the said service premises during the month of 01/2009 and found excess load, the respondents have not acted as per the Clauses of General Terms and Conditions of Supply and atleast they have not billed in H.T. Category Tariff. But, the Assistant Divisional Engineer/Operation/Kusumanchi has issued a notice to the consumer for arranging the payment in connection with additional load of 25 HP vide Lr. No. ADE/OP/SD/KSM/D. No. 285/09/Dt. 04.05.09. Further she stated in the notice that, if the consumer has not come forward for regularization within stipulated time i.e., one month from the date of receipt of this notice, the service will be disconnected and it will remain under disconnection until the excess connected load is regularized.

As per the above notice, the Assistant Divisional Engineer/Operation/Kusumanchi neither collected the amount nor disconnected the service connection on lapse of one month notice period. The proof of notice served to the consumer also has not produced to the Forum.

The procedure involved has to be followed 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 :-

Additional connected loads detected in LT services cases.

Clause 12.3.3.1 :-

Where the total connected load is 75 HP/56KW or 150 HP in cases of LT Cat-III (B) or below at the time of detection

- i. One month notice shall be given to regularize the additional connected load for payment of required service line charges, development charges and consumption deposit, in accordance with the format prescribed in Appendix IX.

- ii. Service of consumers who do not get the additional loads regularized, shall be disconnected immediately on expiry of notice period and these service shall remain under disconnection, until they are regularized.

Clauses 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.

According to the Clauses of General Terms and Conditions of Supply, the respondents have not followed and issued notices 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 (A) to H.T. Category at the time of first inspection made by the DPE Wing i.e., from the month of 01/2009 onwards if the respondents timely the Clauses of General Terms and Conditions of Supply would have implemented first instance the complainant might have regularized his additional load. Just, they have served a notice for regularization of additional load by paying amount as stated in the notice. But thereon, not pursued the matter with consumer and after lapse of notice, the respondents neither disconnected the supply nor regularized the additional load duly collecting the amount. It is purely lapse on the part of respondents.

Again, as per the Lr. No. ADE/OP/SD/KSM/D. No.357/09/Dt. 09.09.09, the Assistant Divisional Engineer was inspected on 21.08.09 the premises of service and found the load 74 H.P. only, with the oral request of Assistant Accounts Officer/ERO/Rural/Khammam. Hence there is no excess load found during the inspection of Assistant Divisional Engineer on 21.08.09.

Further, according to his contention that he has not utilized excess load against the sanctioned load accorded i.e., 74 HP to his service connection by the departmental officials. The respondents never insisted to pay C.C. bills under H.T. Category Tariff after inspection made by the DPE Wing in the month of 01/2009. The complainant stated that he had not received any notice in regularization of

additional load and during the inspection made by the Assistant Divisional Engineer he found only 74 H.P. i.e., sanctioned load by the department in the month of 08/2009. 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 01/2009 to 06/2011 has imposed after second inspection made against this service connection by the DPE Wing during the month of 07/2011 and issued a notice indicating an amount of Rs. 4,45,112/- for payment by the complainant issued in the bill for the month of 09/2011.

The respondents were neither 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 01/2009 for exceeding the sanctioned load against this service connection nor proper steps they have been taken to disconnect the supply duly serving the one month notice for non regularization of additional load by the complainant. If this would have done correctly at the time of first instance the problem arised like in this case has been avoided during the month of 01/2009 only. Further as per the Terms and Conditions of Supply, the service shall be billed at the respective HT Category 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.

From the above Paras, it is clearly evident that, the respondents have failed in implementation of Clauses of General Terms and Conditions of Supply, while found the additional load in the premises of complainant during the inspection made by the DPE Wing in the month of 01/2009. Based on the oral request of Assistant Accounts Officer/ERO/Rural/Khammam the Assistant Divisional Engineer/Operation/Kusumanchi was inspected the premises of service on 21.08.09 and found the load 74 H.P. Again the DPE Wing inspected on 18.07.11

and they were found additional load in the premises of complainant and also the respondents billed at the H.T. Category-I Tariff rate from 07/2011 onwards i.e., from the date of second time inspection by the DPE Wing.

5. **ORDER :-**

The respondents are directed to withdraw the actual short billing amount whatever raised against the S.C. No. 221300021 for the period from 09/2009 to 06/2011 as per the first inspection made during the month of 01/2009 by deviating the Clauses 12.3.3. and 12.3.3.1 of General Terms and Conditions of Supply and the respondents are directed to collect the short billing amount for the period from 01/2009 to 08/2009 due to found excess load during the inspection of DPE Wing on 07.01.09 and later on in the inspection of Assistant Divisional Engineer/Operation/Kusumanchi on 21.08.09 she was found 74 H.P. load.

Further, they are directed to issue the bills to the complainant under H.T. Category from the month of second inspection made by the DPE Wing duly converting this service connection into HT Category from LT III (A) following the departmental procedures and General Terms and Conditions of Supply Clauses involved in it, until and unless he removes the additional machinery available at his premises.

The complainant is also requested to pay the short billing amount for the period from 01/2009 to 08/2009 as per the inspections made by the concerned authority and found additional load against S.C. No. 221300021. From the date of second time inspection made by the DPE Wing, the complainant is requested to pay the bills under H.T. Category tariff applicable.

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 56 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 Viduyut 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 31st day of December, 2011.

| | | | |
|-----------------------|--------------------------|----------------------------|--------------------|
| 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. 323/2011-1 Dt. 31.12.2011.

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.

