

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

06th Day of January, 2011.

Present : Sri. T. Sadarlal : Chairperson
Sri. G. Raveendranath : Member (Accounts)
Sri. K. Ramesh : Member (Legal)

C.G. No. 293/2010 of Warangal Circle

Between

Sri. Thota Suresh
Proprietor
M/s. Nani Gardens,
H. No. 16-4-1191,
Ursu, Karimabad,
Shivanagar,
Warangal-Dist.

Complainant

AND

1. Assistant Engineer/Distribution/Kareemabad.
2. Assistant Divisional Engineer/Distribution/Warangal.
3. Divisional Engineer/Operation/Warangal.

Respondents

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Sri. Thota Suresh, Proprietor of M/s. Nani Gardens, Ursu, Karimabad, Shivanagar, Waragal-Dist., hereinafter called as the complainant in his complaint dated. NIL received and registered on 28-10-10, under Clause 5(7) of APERC Regulation 1 of 2004 read with Section 42(5) of Electricity Act 2003, stated the following :-

- i. the complainant Sri. Thota Suresh, S/o. T. Rama Swamy, he has applied for electricity connection to his M/s. Nani Gardens.
- ii. the department has sanctioned vide Lr. No.DEE/OP/WGL/SDR-48/2010-11/Dt. 31.07.10.
- iii. but the department has prepared estimate amount for Rs. 1,77,370/- towards service line charges and for an amount of Rs. 70,000/- towards development charges.

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iv. the above both the amounts were paid by him vide :-

a) D.D. No.	Dt.	Service Line Charges	- Rs. 1,77,370/-.
b) D.D. No.	Dt.	Development Charges	- Rs. 70,000/-.
c) D.D. No.	Dt.	Security Deposit	- Rs. 28050/-.

v. when he has paid an amount of Rs. 1,77,370/- as per the estimate prepared by the department towards the service line charges the question of payment of development charges does not arise as per the departmental rules.

vi. the department has collected an amount of Rs. 70,000/- additionally.

vii. hence he has requested to examine the estimates prepared by the department and refund the excess amount paid by him towards the development charges.

2. As a sequel to the above complaint, the Assistant Engineer/Distribution/Kareemabad, Assistant Divisional Engineer/Distribution/ Warangal and Divisional Engineer/Operation/Warangal, were directed to file their written submissions vide notice dated. 03.11.2010.

I. The Assistant Engineer/Distribution/Kareemabad, in his filings received on 22-11-2010, stated the following :-

i. on receipt of the consumer application he has inspected the premises of M/s. Nani Gardens owned by Sri. Thota Suresh, S/o. T. Rama Swamy at Ursu Distribution on 15.07.10 and he had prepared the estimate and submitted for sanction vide Lr. No. AAE/O/K'bad/D. No. 114/10/Dt. 20.07.10.

ii. accordingly, the estimate was sanctioned by the Divisional Engineer/Operation/Warangal vide Sanction No. SDR-48/10-11/Dt. 31.07.10 above and a demand note was given vide in Lr. No. DE/OP/WGL/Comml./F. No. Dock/D. No. 220/10/Dt. 31.07.10.

iii. finally, it is to submit that as per demand note of the Divisional Engineer/Operation/Warangal the consumer has paid necessary demand drafts and the above work was executed by the department and later the service was released on 28.08.10.

II. The Assistant Divisional Engineer/Distribution/Warangal, in his filings received on 16-11-2010, stated the following :-

- i. Sri. Thota Suresh, Proprietor of M/s. Nani Gardens at Ursu, Kareemabad Section was applied for new service connection to his Garden situated at H. No. 16-4-1191 Ursu, Kareemabad in the Section Office of Distribution Kareemabad Section. The Assistant Engineer/Distribution/Kareemabad was verified the spot and submitted the estimate vide Lr. No. AAE/Dist./KBD/D. No. 114/Dt. 20.07.10, and the estimate was examined and submitted to Division Office for sanction vide Lr. No. ADE/Dist./WGL/D. No. 904/Dt. 29.07.10, by the under Section.
- ii. the estimate for extension of supply to the above service was sanctioned by the Division Office vide Sanction No. SDR-48/10-11 / Dt. 31.07.10 and same was intimated to the under signed vide Lr. No. DEE/OP/WGL/F. No. DOCK/D. No. 219/10/Dt. 31.07.10, duly instructed to collect the Rs. 1,77,370/- towards SLC charges and Rs. 70000/- towards development charges to take up the work as per instruction of Company vide N.O.O. CGM (P&RAC)Ms. No. 200, Dt. 15.10.07.
- iii. the demand notice for payment of necessary charges was given to the consumer vide Lr. No. DEE/OP/WGL/F. No. Dock/D. No. 220/10 / Dt. 31.07.10.
- iv. the Additional Assistant Engineer/Distribution/Kareemabad collected the necessary charges from the consumer as per the demand notice issued and closed in the PCB on 04.08.10 and applied for work order to taken up the above work, the under signed counter signed the same and instructed to complete the work as early as possible.
- v. the Additional Assistant Engineer/Distribution/Kareemabad completed the execution of work by fixing the agency and the service was released on 28.08.10 with S.C. No. 79876 with Meter No. APE 51120 Secure I/R-00000.
- vi. in view of the above it is to submit that the development charges were collected by the Additional Assistant Engineer/Distribution/ Kareemabad as per the instruction of Divisional Engineer/Operation/ Warangal and as per the standing rules and regulations of APNPDCL only.
- vii. further as aligned by the consumer the APNPDCL never collected the extra charges and the estimate was prepared as per consent and interest of the consumer only.

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3. The hearing was proposed and conducted on 06.12.10 in the Chamber of Chairperson/Consumer Grievances Redressal Forum/NPDCL/Warangal at 3.30 PM. During the hearing conducted, the respondents i.e., Assistant Engineer/Distribution/Kareemabad, Assistant Divisional Engineer/Distribution/ Warangal and Assistant Engineer/ Commercial/Warangal, have attended for the hearing.

The remarks raised during the hearing by the Assistant Engineer/ Commercial/Warangal, Assistant Engineer/Distribution/Kareemabad and Assistant Divisional Engineer/Distribution/Warangal is as follows :-

- I. For extension of power supply to commercial complexes and apartment services two different procedures are adopted.
 - a. Sanction under SLC.
 - b. Sanction under 100% ORC.

II. Procedure Adopted for Sanction under SLC :-

- i. Line extension, total estimate cost is collected.
- ii. Development Charges :-

DP Structure major material cost is compared with the development charges (i.e. Rs. 2000/- KW for NDS, Rs. 1000/- KW for DS). If DP Structure cost is more then DP Structure major material cost is collected.

- iii. Security deposit charges (i.e., Rs. 800/- KW for Numbers, Rs. 200/- KW for DS)

III. Procedure Adopted for Sanction under ORC :-

- a. Total estimate cost excluding metering cost is collected for service line charges.
- b. Development charges (i.e., Rs. 2000/- KW for NDS, Rs. 1000/- KW for DS) is also collected.
- c. Security deposit charges (i.e., Rs. 800/- KW for NDS, Rs. 200/- KW for DS) are collected.

- IV. Regarding commercial load of 35 KW to M/s. Nani Gardens the proposal is received for sanction under 100% ORC and hence the estimate is sanctioned under 100% ORC.
- V. The above procedures are adopted in Warangal Circle since long time and hence procedure is implemented in this particular case also.

Based on the remarks raised by the respondents, a letter was addressed to the Chief General Manager/Operation, IPC & Commercial/Corporate Office/Warangal to clarify, whether there is any specific procedure for preparation of estimates under 100% ORC duly furnishing with a documentary evidence to the Forum.

The Chief General Manager/Operation, IPC & Commercial/NPDCL/Warangal has submitted the information vide Lr. No. CGM/OP, Comml. & IPC)/NPDCL/WGL/D. No. 501/10/Dt. 28.12.10 stating that, the collection of difference cost of DTR against development charges and service line charges to be collected from the consumer is clearly clarified vide Circular Memo. No. CGM/P&RAC/NPDCL/WGL/Comml./F. Circular/D. No. 971/07/Dt. 19.02.08 which is applicable for all the estimates to be sanctioned.

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

The contention of the complainant is that he has taken service connection to his M/s. Nani Gardens, as per the estimate sanctioned by the Divisional Engineer/Operation/Warangal SDR-48/2010-11/Dt. 31.07.10, and he has paid an amount of Rs. 1,77,370/- towards SLC in addition to this the department has further collected an amount of Rs. 70,000/- towards development charges from him. As per the departmental rules when he has paid SLC charges the development charges should not be implicable to him. Hence he has requested to refund the additional amount paid by him towards development charges for an amount of Rs. 70,000/-.

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Keeping in view of the guidelines issued in Memo. No. CGM/P&RAC/NPDCL/WGL/Comml./D. No. 971/07/Dt. 19.02.08 and Memo. No. CMD/NPDCL/WGL/CGM (P&R)/Comml./F. Circular/D. No. 352/08/Dt. 09.06.08, in connection with collection of development charges if any discrepancies took place in issuing the demand note to Sri. Thota Suresh, S/o. Rama Swamy, for release of service connection to the M/s. Nani Gardens, Ursu, Kareemabad, may be revised and actual amount involved as per the cost data may be adjusted from the amount already paid by the consumer.

5. **ORDER :-**

- i. The Forum has examined the grievance put forth by the consumer disputing to the payment of development charges levied by the respondents. While so, after taking the defensible proposition maintained by the Divisional Engineer/ Operation/Warangal vide Lr. No. DEE/OP/WGL/F. No. Dock/D. No. 219/ 10/Dt. 31.07.10, on levying sent percent development charges. Based on the merits of the case it is observed that the levying of development charges he is acceptable only as per the guidelines issued in Memo. No. CGM/P&RAC/NPDCL/WGL/Comml./D. No. 971/07/Dt. 19.02.08.
- ii. Thus the respondent herein is here by ordered to act as per the above ruleable position contained in the Memo. No. CGM/P&RAC/NPDCL/WGL/Comml./D. No. 971/07/Dt. 19.02.08, guidelines issued in connection with collection of service line charges vide N.O.O. CGM/P&RAC/Ms. No. 200 /Dt. 15.10.2007 and as per the clarification issued vide Memo. No. CMD/NPDCL/WGL/CGM/P&RAC/Coml./F. Circulars/D. No. 252/08/Dt. 09.06.08 and Lr. No. CGM (OP, Comml & IPC/NPDCL/WGL/D. No. 501/10/Dt. 28.12.10.
- iii. The Licensee is advised to cause suitable instructions to all Circles / Operations Divisions by the Company for follow up the guidelines issued from time to time while preparation of all types of estimates and avoid inconvenience to the consumers.
- iv. The respondents are directed to adjust the amount already paid by the complainant towards development charges if any excess found to the future bills to be served to the complainant.
- v. The detailed compliance report implementing these orders shall be submitted to this Forum with in 15 days from the date of receipt of this order.

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6. **Reasons for Delay :-**

There is a delay of about 25 days in deciding the petition. The reasons for delay are :-

- i. Non-receipt of reports from respondents.
- ii. Insufficient information filed by the complainants.

7. 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 06th day of January, 2011.

Sd/-
K. RAMESH
MEMBER (LEGAL)

Sd/-
G. RAVEENDRANATH
MEMBER (ACCOUNTS)

Sd/-
T. SADARLAL
CHAIRPERSON

Endt. No. C.P./C.G.R.F/NPDCL/WGL/C.G. No. 293/2010-1 Dt. 06.01.2011.

Copy to :-

The Divisional Engineer/Operation/Warangal.

The Superintending Engineer/Operation/Warangal.

The Chief General Manager/Operation, Commercial & IPC/NPDCL/Warangal.

(To take necessary action as per this order Para 5 (iii) for preparation of all estimates).

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.**

