

# **CONSUMER GRIEVANCE REDRESSAL FORUM**

## **CENTRAL REGION**

(Formed under Section 42(5) of the Electricity Act 2003)

**220 kV Substation Compound, HMT Colony P.O. Kalamassery, Pin – 683 503**  
**Phone No. 0484-2556500 Website: [cgrf.kseb.in](http://cgrf.kseb.in), Email: [cgrf.ekm@gmail.com](mailto:cgrf.ekm@gmail.com),**  
**CUG No. 9496008719**

Present	(1) Smt.Sheeba. P (2) Sri. Biju Varghese	Chairperson 3 <sup>rd</sup> Member
Petitioner	Sri. M.B. Mohammed Ali, Managing Partner, M/s. MEZ Projects and Ventures, Mezhukkattil, Erumathala P.O., Chunangaveli, Aluva, Pin – 683 112	
Respondent	The Deputy Chief Engineer, Kerala State Electricity Board Ltd, Electrical Circle, Ernakulam (Electrical Section, College).	

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**No.CGRF-CR/OP No.41/2023-24     Date: 07/11/2023.**

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### **ORDER**

#### **Background of the case:**

The petitioner, MEZ Projects and Ventures is a partnership firm represented by its Managing Partner Sri.Mohammed Ali M.B. The petitioner firm applied for Supply of Power of 350 kVA for availing HT supply to the commercial building namely, MEZ Matrix, at Mullassery Canal junction, Chittoor Road, Ernakulam. The estimated cost for providing this supply, amounting to Rs.13,57,659/-, was prepared by the licensee. As the petitioner chose to construct electric line by themselves under the supervision of the licensee (KSEBL), the respondent intimated them on 30/05/2011 to remit Rs.1,23,424/- as supervision charge along with the transmission development charge of Rs.4,72,500/-. These payments were made on 13/06/2011 and the petitioner had completed the work. But, the sanction for energisation from the Department of Electrical Inspectorate was accorded only on 12/03/2013.

In the meantime, the Assistant Executive Engineer, Electrical Sub Division, College, relying upon the Regulation 10 of the Kerala Electricity Supply Code, 2005, demanded Rs.7,35,000/- as Unconnected Minimum (UCM) Charges for the period from 12/10/2011 to 11/06/2012 from the petitioner on 20/06/2012, on the ground of petitioner's delay for availing supply within the stipulated time. Against this, the petitioner approached the Hon'ble High Court of Kerala seeking relief. The Court ordered to address their grievance through this Forum and thus the petitioner has approached this Forum seeking justice.

### **Version of the Petitioner:-**

The petitioner informed that the Scheme submitted by the petitioner for installing one 1400 kVA transformer along with 2 generators of 200 kVA capacity was approved by the Electrical Inspectorate on 03/12/2008. In the meanwhile, the respondent had issued a letter No.AB-1/HT SOP/MEZ/2011-12 dated 30/05/2011 indicating that there was enough capacity to provide power to the extent of 350 KVA to the petitioner and thereby demanding to pay for the work to be undertaken required for providing supply of power to the petitioner. The petitioner opted to construct electric plant by themselves under the supervision of KSEBL and remitted the supervision charge of Rs.1,23,424 on 13/06/2011 and thereafter undertook and completed the work.

Subsequently the petitioner received a further communication No.DB 8/ESDCLG/CLG/2012-2013/77 dated 20/06/2012 from the respondent demanding Rs.7,35,000/- towards unconnected minimum (UCM) charges for the period from 12/10/2011 to 11/06/2012 and directing to remit the amount within 15 days from the date of receipt of the communication, failing which the petitioner was informed that the application stands cancelled. Immediately on receipt of this notice, the petitioner addressed the respondent protesting against the demand for UCM charges and requested to provide electricity connection without insisting on the payment of UCM charges, as demanded. Thereafter, the Deputy Chief Engineer, Electrical Circle, Ernakulam conducted a hearing on 18/08/2012, and

issued an Order dated 21/11/2013, rejecting the request made to the respondent to waive off the UCM charges.

The petitioner further states that the respondent has refused to entertain petitioner's application for service connection to the extent of 66 kW for which Energisation Sanction has been received from the Inspectorate, for the reason of non-payment of UCM charges. The petitioner submits that the demand of UCM charge is wholly and entirely illegal and arbitrary and that there is no provision justifying the levy of any UCM charges in the Electricity Act, 2003 or in the rules and the regulations. No such charges are approved or permitted by the Regulatory Commission also. So this action from the respondent prevents to obtain electricity connection to the petitioner and force them to face extreme hardship in business.

#### **Version of Respondents:-**

The petitioner had submitted an application dated 05/12/2008 for HT power requirement to the extent of 350 kVA under Electrical Section, College, Ernakulam with the approved scheme of Electrical Inspectorate dated 03/12/2008. Following this, the Deputy Chief Engineer, Electrical Circle has accorded Administrative Sanction to an amount of Rs.13,57,659/- vide AS No.15/2011-12 dated 26/05/2011 and intimated the petitioner about this demand and the conditions for availing supply vide letter No.AE1/HT-SOP/Mez/2011-12/1799/30-05-2011. Subsequently, the petitioner remitted Rs.1,23,424/- on 13/06/2011 towards supervision charges, as the petitioner opted to construct the electric plant by themselves under the supervision of KSEBL and also remitted the transmission development charges of Rs.4,72,500/-.

Later on, the Assistant Executive Engineer, Electrical Sub Division, College vide letter No.DB8/ESDCLG/CLG/12-13/77 dated 20/06/2012 has intimated the petitioner to remit an amount of Rs.7,35,000/- towards UCM charges for the period from 12/10/2011 to 11/06/2012. Then, a representation was made by the petitioner to waive off the UCM charge, which was subsequently heard by the Deputy Chief Engineer, Electrical Circle on 18/08/2012. But the Deputy Chief Engineer upheld

the demand raised and directed the petitioner to remit the UCM charges, as per the prevailing rules and the appeal was disposed accordingly. Thus the petitioner approached the Hon'ble High Court of Kerala and as per the Judgement dated 06/07/2023, the petitioner was directed to approach this Forum for redressal.

### **Analysis and findings:**

Hearing was conducted at the chamber of the Chairperson, Consumer Grievance Redressal Forum, Ernakulam. The Forum afforded an opportunity to hear the Petitioner and the Respondent on 11-10-2023 and 31-10-2023. Both the nominees of the petitioner and the respondent were present for both hearings. Having examined the petition in detail and the statement of facts of the respondent, considering all the facts and circumstances in detail and perusing all the documents of both sides, the Forum comes to the following observations, conclusions and decisions thereof.

Here, in this case, the petitioner has applied for a Supply of Power (SOP) to the extent of 350 kVA for availing HT supply to their commercial building namely, MEZ Matrix, Ernakulam. The petitioner was informed by the respondent through letter No:AE1/HT-SOP/MeZ/2011-12/1799 dated 30/05/2011 about the following particulars:-

1. The works to be executed for providing Supply of Power (SOP) to the petitioner are:-
  - i. Installation of 1 No. CTTC type RMU
  - ii. Laying 90 meters of 3X300 Sq.mm 11 kV XLPE UG Cable
  - iii. Installation up to the metering point.
2. The total estimate cost including the 10% supervision charges to execute the above works is Rs.13,57,659/-.
3. To remit supervision charges of Rs.1,23,424/-,if the applicant chooses to provide electric line by themselves.
4. To remit Rs.4,72,500/- towards transmission development charges for 350 kVA

Accordingly, the petitioner remitted the supervision charges of the estimate cost for required works, as they opted to undertake the work by themselves in accordance with Regulation 8 (9) of the Kerala Electricity Supply Code, 2005 and the transmission development charges on 13/06/2011.

**Regulation 8: Supply where electric line/substation is provided by the applicant:**

*(9) “Where the applicant does not require the licensee to provide electric line or electric plant, but choose to provide them himself, he shall pay 10% of the expenses as supervision charges to the licensee for providing such services and get the work executed by a licensed contractor. The licensee shall supervise the work of the applicant and provide guidance in technical matters and matters relating to safety.”*

Consequently, the petitioner completed the necessary works. But they received the energization approval from the Electrical Inspectorate only on March 12, 2013. However, in accordance with Regulation 10 of the Kerala Electricity Supply Code, 2005, the Assistant Executive Engineer, Electrical Sub Division, College, Ernakulam, demanded Rs.7,35,000/- as Unconnected Minimum (UCM) charges for the period from 12/10/2011 to 11/06/2012 from the petitioner on June 20, 2012 (Letter No:DB8/ESD CLG/CLG/2012-2013/77).

**Regulation 10. Delay on the part of applicant to take supply.-**

*“(1) Where the Licensee has completed the work required for providing supply of electricity to an applicant but the installation of the applicant is not ready to receive supply, the Licensee shall serve a notice on the applicant to take supply within sixty days of service of the notice in the case of LT consumers and 90 days in the case of HT & EHT consumers.*

*(2) If after service of notice the applicant fails to take supply of electricity, the Licensee may charge fixed/minimum charges as per the tariff in force for completed months after expiry of notice till the applicant avail supply”.*

During the course of hearing, the petitioner raised objections against the provisions outlined in the Regulations 10 of Kerala Electricity Supply Code, 2005,

which, according to the petitioner, was against and beyond the scope of the Electricity Act, 2003. The petitioner further contended that since they had constructed the entire electric plant, the licensee is not entitled to collect UCM charges from them. In response, the respondent argued that incompliance with the request of the petitioner, the respondent had reserved the requested power for the petitioner without allocating it to other applicants and hence the licensee was justified in collecting the UCM charges.

In this case, this Forum evaluates that, the respondent did not perform any work related to providing SOP to the applicant (petitioner). The licensee provided only supervision for the work carried out by the petitioner and charges for this supervision were collected from the petitioner in accordance with Regulation 8(9) of the Kerala Electricity Supply Code, 2005. Since the licensee did not undertake any work in connection with providing SOP to the petitioner, they are not entitled to collect UCM charges from the petitioner, as per Regulation 10 (2) of Kerala Electricity Supply Code, 2005. Also, to collect the UCM charges, it is mandatory to serve a notice to the applicant, informing them of the work's completion on the part of the licensee, as specified in Regulation 10 (1) of Kerala Electricity Supply Code, 2005. In this case, since the licensee did not perform any work, they did not issue any notice to the petitioner in accordance with Regulation 10 (1) of the Kerala Electricity Supply Code, 2005 and hence not eligible to collect UCM charges from the petitioner.

**DECISION:**

**Considering the above facts and circumstances, the Forum issues the following orders:-**

- 1) The petitioner is not liable to pay the Unconnected Minimum Charges.**
- 2) No cost ordered.**

Dated this 7<sup>th</sup> day of November 2023

Sd/-

Sri.Biju Varghese  
3<sup>rd</sup> Member  
CGRF, Ernakulam

Sd/-

Smt. Sheeba. P  
(CHAIRPERSON)  
CGRF-CR, Ernakulam

Endt. On CGRF-CR/OP No.41/2023-24 Dated

Delivered to Sri. M.B. Mohammed Ali,  
Managing Partner,  
M/s. MEZ Projects and Ventures,  
Mezhukkattil, Erumathala P.O.,  
Chungaveli, Aluva,  
Pin – 683 112

Sd/-

CHAIRPERSON  
(DEPUTY CHIEF ENGINEER)  
CGRF-CR, KALAMASSERRY

Copy submitted to: 1)The Secretary, KSEBL, Vydhyuthi Bhavanam, Pattom,  
Thiruvananthapuram.

“ 2) The Secretary, Kerala State Regulatory Commission,  
KPFC Bhavanam, C.V Raman Pillai Road, Vellayambalam,  
Thiruvananthapuram.

Copy to: - (1) The Deputy Chief Engineer, Electrical Circle, KSEBL,  
Ernakulam  
(2) The Executive Engineer, Electrical Division, KSEBL,  
Ernakulam  
(3) The Assistant Executive Engineer, Electrical Sub Division,  
KSEBL, College, Ernakulam  
(4) The Assistant Engineer, Electrical Section, College