

Consumer Grievance Redressal Forum
Kerala State Electricity Board - Southern Region,
Vydyuthi Bhavanam, Kottarakkara

No: CGRF/KTR/OP.No.717/2012/1242

Date: 2 .5.2012.

From

Chairperson

To

The Assistant Executive Engineer,
Electrical Sub Division,
K.S.E Board,
Beach, Thiruvananthapuram.

Sub: - Releasing of order of disposal of OP.No.717/2012.

Ref: - B.O (FB) No.585/2006 (LA.II/1173/2006) dated 25.2.2006.

Sir,

Enclosed the order of disposal of petition filed by Sri. S. Sabu in
O.P.No.717/12 for further action.

Yours faithfully,

CHAIRPERSON
DEPUTY CHIEF ENGINEER
CGRF (SOUTH)

Copy to:-

1. Sri. S. Sabu, Lotus Builders Home, IDA, Kochuveli,
Thiruvananthapuram, (Cliff dale, Flat No.3-c, Nanthancode,
Kowdiar, Thiruvananthapuram)
2. The Deputy Chief Engineer, Electrical Circle,
Thiruvananthapuram.
3. The Executive Engineer, Electrical Division, Kazhakoottam.

Office: CGRF(S), Vydyuthi Bhavanam, Kottarakkara, Pin – 691 506
Web site: cgrf.kseb.in E- mail: cgrfktr@ksebnet.com, Phone: 0474 – 2451300

**CONSUMER GRIEVANCE REDRESSAL FORUM (SOUTH),
KOTTARAKKARA**

Present: 1. Sri.R.Suku, Chairperson, Deputy Chief Engineer
2. Smt. Beena Pious, Executive Engineer
3. Sri.N.Sasidharan Unnithan, Member

Friday the 30th day of March 2012

OP No.717/2012

Between

Petitioner: Sri. S. Sabu,
Lotus Builders Home,
IDA, Kochuveli,
Thiruvananthapuram,
(Cliff dale, Flat No.3-c,
Nanthancode, Kowdiar,
Thiruvananthapuram)

And

Respondent: The Assistant Executive Engineer,
Electrical Sub Division,
Beach, Thiruvananthapuram.

Grievance of the Petitioner

The petitioner is the owner of an industrial unit coming under Electrical Section, Beach, Thiruvananthapuram, who has applied for electricity connection completing all the formalities. But the licensee has not turned up to supply electricity, which in turn had caused great injury and inconvenience for the petitioner. An agreement was executed with the opposite party on 28/5/2011 but the works and services rendered by the opposite party are defective and discrepant. His specific case is that,

1. In the estimate, it was shown that 230 mts of cable was required to be laid for effecting connection, whereas actually only 140 mtrs is necessary..
2. Even without providing RMU, an amount of Rs.6,69,000/- was charged in the estimate.

3. The cable work and installation of transformer were not done as per the procedure and guidelines prescribed, without ensuring any safety measures, causing anxiety and concern among the general public.

Pointing out the above discrepancies, the petitioner submitted a representation on 14.10.2011 and requested to revise the incorrect estimate excluding the cost of uninstalled RMU. No reply nor any action was found taken by the opposite party. Surprisingly a notice dtd.8/3/2012 was seen pasted on the wall of the industrial unit demanding to avail supply within a period of two months, failing which the petitioner shall have to pay minimum demand charges. A reply was submitted on 12/3/2012 explaining all the facts (Exhibit AII).

In the meantime the industrial department had issued a show cause notice to the petitioner for not commencing the industrial unit, and the same was brought to the notice of the opposite party.

Here the opposite parties (1) have succumbed to unfair trade practices in providing supply to the petitioner, (2) have levied a price in excess of the price fixed by the KSERC, and without rendering proper service (3) and have followed unsafe and hazardous practices of installation, in contravention to law and rules. Hence the petitioner prays for the following reliefs

- (a) The actual length of the cable is to be calculated and arrived at for billing.
- (b) The charge of the RMU, which is not yet installed, may be deducted from the bill.
- (c) The improper cabling may be rearranged for the safety of the industrial unit and also to the general public to avoid unsafe and hazardous situation.
- (d) A competent commission may be appointed to inspect the site, all the connection and supply related works to

ascertain the truthfulness of my statement and to submit before this Hon'ble Forum.

- (e) Any other relief found just and proper in the circumstances of the case.

Version of the Opposite Party

The petitioner has applied for a contract demand of 65 kW for energizing the industrial unit, M/s. Lotus Builders Home at the Industrial area, Kochuveli. It was feasible to extend the supply from the existing DP after executing a work of laying 230 mts of 3x300 sq.mm XLPE 11kV UG cable and installation of a 100 KVA transformer with CTC RMU at the applicants' premises. Accordingly an estimate for Rs.15,17,303/- was sanctioned on 19/5/2011. A MG agreement was executed on 28/5/2011. Meantime two other applicants namely M/s. Ayisha Rubbers and M/s.Sathya Lubricants applied for power feasibility and MG agreements were executed on 28/5/2011 & 12/7/2011 respectively, and they completed their wiring works and availed power supply within the stipulated time period as per the MG agreement.

The petitioner Sri.S. Sabu has not submitted either the completion report or the application for service connection, in the section office. Hence, the Assistant Engineer, intimated vide letter dtd.24.1.2012, that the applicant has to avail supply, as per the terms and conditions of the MG Agreement, and that the applicant has to remit the unconnected minimum charges from 1/2012 onwards. The notice was not received by the petitioner and it was later pasted on the wall of the industrial building.

The actual length of the cable to be laid is 230 mts. The length of cable laid from the common tapping point for the above mentioned 3 consumers to the petitioner's premises is 1340 mts. The length of the cable laid between the existing OH line to the common point is 200 mts.

KSE Board had formulated an approval scheme for replacing all 11kV OH lines within the city area with UG cable and Ring Main Units (RMU). Board had decided to give supply to all prospective HT consumers requiring installation of transformer, shall be allowed to tap HT supply only through RMU. As per BO dtd.29/11/2007, the cost of RMU, Rs.6,60,000/- is recovered from the applicant. Here the RMU is not erected due to the non-availability of the same. In order to avoid hardships to the consumer, Board has arranged alternate measures to tap the supply, till RMU is installed.

The laying of 11kV UG cable and installation of 100KVA transformer and allied works were done as per the guidelines prescribed by the Board and statutory clearances are ensured for the safety of equipments and human beings.

On 14/10/2011, the petitioner submitted a request to revise the estimate for the work, where MG agreement has already been executed. Even the estimate was revised and submitted to the higher officials. The Board has again clarified about honouring MG Agreements already executed vide B.O. dtd.16/2/2012.

Hence, further MG agreement cannot be executed for revised estimate. It is possible only if the consumer opts for OYEC scheme, instead of MG agreement as per Reg.4 of Terms and Conditions of Supply 2005. All the allegations raised by the petitioner false and hence it is prayed to dismiss the petition.

Discussion and Findings

Both the parties were present for the hearing conducted on 30.3.2012. In this case, from the DP structure, 300 sqmm cable is laid upto the site at a length of 230 mtrs, and an extensible type RMU is installed and connected to a 100 KVA transformer and thus the applicant is given supply. From the very same tapping point, M/s.Aiysha Rubbers & M/s. Sathya Lubricants are given supply by extending 300 sq mm cable and installing separate RMUs.

At the time of hearing, the opposite party, the Assistant Executive Engineer stated that the supply is taken from the tapping point to the RMU in the industrial estate. This is a common line for all the 3 applicants including the petitioner. The expenditure for this common line is charged from the 3 MG applicants. Here it is evident that the Board has recovered 3 times the actually incurred expenses.

The questions arise here are:-

1. In the said circumstances, whether it is justifiable to recover the total cost from each of the 3 applicants?
2. Whether the Board has violated Section 46 of the Electricity Act 2003, for effecting supply.
3. Whether the common point of all the 3 connections, from where supply is effected as per the MG agreement executed in the same period, is a part of the distribution system?
4. Whether the proposal to install extensible type RMU as a switching device at each transformer point is in accordance with any Board Order within a distance of 150 mtrs.

The forum has examined these issues in detail. It has become clear that, from the tapping point to the RMU at the industrial estate is the common point. The expenses incurred for the installation of 300mm² cable and the RMU at the industrial estate is recovered from the applicant, which is the part of the Board's distribution system.

Section 42 of the Act reads:-

"Duties of distribution licensee and open access – It shall be the duty of a distribution licensee to develop and maintain an efficient, co-ordinated and economical distribution system in his area of supply and to supply electricity in accordance with the provisions contained in this Act".

In an earlier case before this forum in of OP No 671/2011, the opposite party stated that all the expenses incurred shall be recovered from the first applicant. Here in this case, the MG Agreement was

executed by 3 applicants on the very same period and hence, the cost from the common point has to be equally divided and realized from each of the 3 applicants.

From the existing DP structure using 300 sq.mm cable, an extensible type RMU can be installed and from there, using 150 sq.mm cable, supply can be effected to the petitioner and to the other two applicants, who have executed the MG agreement. This seems to be the only feasible and economic way to give supply to these applicants as per the Board order No. (FB)(Genl)No.2024/2011 (DPC II/AE/T&C of Supply 02/2009/2011 dtd.Tvpm 18/8/2011. The Board order states that if an extensible type RMU is available within 200 mtrs, the supply can be given through an Add on Module. But in this case, the Board executed the MG agreement from the 3 applicants with 300 sq.mm cable and extensive type RMU. This is clear violation of Section 46 of the Act and the Board order referred above.

From the RMU installed in the industrial estate, the supply to the petitioner is effected by installing another extensible type RMU, only at a distance of few meters away. RMU, switch gear is the part of the Ring Main Unit.

The opposite party stated that in this case, there are 3 RMUs and are proposed as the isolating device for the protection of the transformer. Forum does not agree with this argument since RMU is not a isolating device for the protection of the transformer. The cost of a transformer is only @ Rs.2 lakhs. But the cost of RMU is 7.3 lakhs. The estimate and the MG amount is Rs.15 lakhs which means, the cost of RMU is nearly 50% of the MG amount. This is not reasonable in this case. Moreover the petitioner is a manufacturer of Hollow Bricks. Outside the urban area, no RMU is not necessary to effect supply. Installing a 100KVA transformer and allied OH lines need only around Rs.2,91,900/- as expenditure. Here the MG amount to be remitted by

the petitioner is @ Rs.33000/-. This is invariably a misinterpretation of the Board order.

BO.No: (FB) (Genl)No.2024/2011(DPCII/AE/T&C of Supply 02/2009 2011 dtd.18/8/2011 para 1 states that, if an extensible type RMU is already installed within 200 mts of an applicant's premises, the supply can be effected through an Add on Module. If so, the arguments of the opposite party here is totally against the above said Board Order. From the existing/proposed extensible type RMU at the industrial estate, one extensible type RMU each is also proposed for the applicants.

Forum views this issue seriously. Because, from each and every transformer point, an extensible type RMU has to be installed for every transformer point, and such a proposal can not be put forward by the Board.

For example, in the cases of OP No.574,OP 671& in OP 700 the Board has argued that supply could be effected to the applicant through an extensible type RMU, by extending 150 sq.mm cable. As such, the argument of the Assistant Executive Engineer in this case is totally baseless, and no supporting clauses or regulations or Board orders are seen submitted to support his argument.

The MG Agreement is executed to effect supply to the applicant. At the time of hearing, the opposite party stated that the estimate for the common point of supply shall be revised. Forum also views that this estimate shall be revised based on the following reasons:-

1. As per Section 42 of the Act, it is possible to include as a part of the licensee's distribution system, the extensible type RMU proposed in the industrial estate area, where supply is tapped using 300 sq.mm cable. Thus the common point can be included in the Board's system. If not, the expenses up to this common point should have been reasonably incurred, and this amount shall be equally divided and recovered from the 3

applicants who have executed the MG agreement on the same period.

2. To the 3 applicants, the supply can be effected from the open link of the proposed extensible type RMU in the industrial estate area and no other extensible type RMU is needed to effect supply

As per Section 46, only the reasonably incurred expenses can be recovered from the applicants. Section 46 is reproduced hereunder:-

Power to recover expenditure:- The State Commission may, by regulations, authorize a distribution licensee to charge from a person requiring a supply of electricity in pursuance of Section 43 any expenses reasonably incurred in providing any electric line or electrical plant used for the purpose of giving that supply.

Another argument raised by the opposite party is that, the Board had stopped the scheme of MG Agreement wef 10/2011 and a further MG Agreement in this case can not be executed. The forum is not inclined to accept the above view of the opposite party. MG agreement is executed before commencing the works by the Board. The actual expenses incurred for the subject work is the "reasonably incurred expenditure" as envisaged in Section 46 of the Act. Thus, the Board has the liberty to revise or to add as annexure to the already executed MG Agreement.

Here, the discrepancies in the estimate is not the fault of the applicant, and it is really due to the lapses on the part of the Board officials. Hence the Board is legally bound to revise the estimate and necessary changes shall be made in the MG Agreement, which is already executed, by suitable amendment.

ORDER

In view of the above facts and circumstances, the forum disposes the petition as here under:-

1. The estimate shall be revised and a suitable amendment to the MG agreement shall be made within one month from the date of receipt of this order.
2. If the common tapping point is a part of the distribution system, it should be excluded from the revised MG, if not, the expenses should be equally divided and only 1/3rd of the expenses shall be realized from the petitioner. Whereas the cost of 150 sq.mm cable and allied works can be included in the revised estimate.
3. The opposite party can demand the MG amount and the balance of it, if any, from the petitioner only after revising the MG amount and the exclusions there of.
4. The RMU proposed at the transformer point is not necessary. If it is necessary, adopt B.O.(FB) (Genl)No.2024/2011 (DPC IIAE/T&C of supply 02/2009/2011) dtd.Tvpm 18/8/2011.
5. The performance of the Assistant Engineer, Assistant Executive Engineer and the sanctioning authority in this case, shall be evaluated by the higher level authority. Here, for a common line, the expenses are recovered from 3 applicants by executing MG agreement and 4 Nos. of RMUs are installed in less than 150 mtr circular area, are proposed and sanctioned. The cost of one transformer is @ Rs.2 lakhs, the cost of RMU is @ Rs.7.3 lakhs. Here the petitioner had approached the various levels of officers in the Board, and no body has cared for his grievances. If so done, the amount of MG Agreement could have been arrived at once, by considering the common tapping point. Also, it would have been clear that the RMU was not the isolating device of the transformer. No Board orders or Regulations or the Act are seen adopted here. The forum views that the licensee could have resolved the complaint as per the Act, regulations or the Board orders. In such a situation, the consumer/public would have been gratified by the performance of the licensee.

6. No order as to cost.

If the petitioner is not satisfied with the above order of this Forum, he/she is at liberty to prefer appeal before the Electricity Ombudsman within 30 days from the date of receipt of this order. The address of the Electricity Ombudsman is furnished below.

State Electricity Ombudsman, Pallikkavil Buildings, Mamangalam-Anchumana Temple Road, Opp:Kochi Corporation Regional Office, Edappally, Kochi – 682 024, Ph: 0484 -2346488.

Sd/-
BEENA PIOUS
EXECUTIVE ENGINEER,
MEMBER

Sd/-
N.SASIDHARAN UNNITHAN
MEMBER

Sd/-
R.SUKU
CHAIRPERSON
DEPUTY CHIEF

ENGINEER
Forwarded

CHAIRPERSON
(DEPUTY CHIEF ENGINEER)
CGRF (SOUTH), KOTTARAKKARA.

