

Before the
MAHARASHTRA ELECTRICITY REGULATORY COMMISSION
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Case No. 65 of 2010

In the matter of
Petition filed by Maharashtra State Electricity Distribution Co. Ltd. under Regulation
27 of the MERC(CGRF & EO) Regulations, 2006, for relaxation from constitution of
Consumer Grievance Redressal Forums at the newly created three (3) Zones, at
Jalgaon, Nanded & Baramati.

Shri V. P. Raja, Chairman
Shri Vijay L. Sonavane, Member

Maharashtra State Electricity Distribution Co. Ltd.

..... Petitioner

ORDER

August 25, 2011

The Maharashtra State Electricity Distribution Co. Ltd. (“MSEDCL”), the Petitioner, filed a Petition, before this Commission, on Affidavit, on 28th September, 2010 (deficiencies were removed on 13th October, 2010), under Regulation 27 of MERC (Consumer Grievance Redressal Forum & Electricity Ombudsman) Regulations, 2006 [“**MERC(CGRF&EO) Regulations, 2006**”], requesting for relaxation from constitution of Consumer Grievance Redressal Forums (“**CGRFs**” or “**Forums**”) at the newly created three (3) Zones, at Jalgaon, Nanded & Baramati, as specified under Regulation 3.2.

2. The prayers of the Petitioner are as follows:

- “
- (a) *The Hon’ble Commission may be pleased to consider this petition for favourable dispensation;*
 - (b) *The Hon’ble Commission may be pleased to relax the provisions of Regulation No. 3.2 of MERC (Consumer Grievance Redressal Forum & Electricity Ombudsman) Regulations, 2006;*
 - (c) *The Hon’ble Commission may be pleased to issue an appropriate order exempting MSEDCL from constituting Consumer Grievance Redressal Forum at newly created Jalgaon Zone, Nanded Zone & Baramati Zone.*
 - (d) *The Hon’ble Commission may please permit MSEDCL to continue the previous arrangement as hitherto so that the existing CGRF at Nashik, Latur, Aurangabad, Pune and Kolhapur shall have same territorial jurisdiction as was existing prior to formation of new zones at Jalgaon, Nanded and Baramati;*

- (e) *The Hon'ble Commission may condone errors/omissions if any;*
(f) *The Hon'ble Commission may allow MSEDCL to submit additional data/information as may be necessary."*

3. The facts of the matter as submitted by the Petitioner, are as under:
- a. MSEDCL is a Company constituted under the provisions of the Government of Maharashtra, G. R. No. PLA-1003/C.R.8588/Energy-5 dated 25th January, 2005 duly registered with the Registrar of Companies, Mumbai on 31st May, 2005.
 - b. That MSEDCL is functioning in accordance with the provisions envisaged in Electricity Act, 2003 ("**the ACT**") and is engaged in the business of distribution of electricity to its consumers situated over the entire State of Maharashtra, except Mumbai city and its suburbs. [The area under License of 'Mula Pravara Electric Co-operative Society Limited' which was also excluded earlier, has now been amalgamated with MSEDCL.]
 - c. That the MERC (CGRF&EO) Regulations, 2006, made by the Commission, provide the guidelines for establishing Forum(s) for redressal of grievances of the Distribution Licensee's electricity consumers, and, that Regulation 3.2 specifies that *a Distribution Licensee shall establish at least one(1) Forum for each Distribution Zone falling within its area of supply.*
 - d. That in accordance with the Regulations, MSEDCL has constituted such Forums at all the Zones which were already in existence at the time of restructuring of MSEDCL. All these Forums are duly functional and are located at Head Quarters of the respective Zones.
 - e. That MSEDCL has created three new Zones viz. at Jalgaon, Nanded and Baramati, which have been formed by re-carving the areas covered earlier by five (5) nos. of Zones, and by reallocating the 'Circles' of the said five (5) nos. of Zones to make eight (8) no. of Zones, thus adding the said new three (3) Zones, as detailed below.
 - i) The newly created **Jalgaon Zone** comprises of three Circles separated from Nasik Zone, namely, Nandurbar, Dhule and Jalgaon.
 - ii) The newly created **Nanded Zone** has one Circle from Latur Zone namely Beed, and two Circles from Aurangabad Zone viz. Hingoli and Parbhani.
 - iii) The newly created **Baramati Zone** comprises of one Circle from Pune namely Baramati, and two Circles from Kolhapur Zone, namely Satara and Solapur.
- Further, the Petitioner submitted that although the said three (3) new Zones have been created, no new geographical area has been covered under these Zones or its area of operations, and that some of the existing Circles have only been re-allocated to increase the no. of Zones. The consumers who by virtue of re-allocation of the Circles now belong to the new Zones, were, before formation of new Zones, coming under the jurisdiction of, one or the other CGRF situated at Nasik, Aurangabad, Latur, Pune and Kolhapur Zones.
- f. That all the existing Forums are not over-burdened as the total number of cases (grievances) handled and disposed by the Forums in past three years, is less than 200 nos.

4. The Petitioner has referred to the Order dated 15th April, 2010, passed by the Hon'ble Appellate Tribunal for Electricity ("ATE") in Appeal No. 181 of 2008, wherein ATE directed all the SERCs to ensure that every Distribution Licensee constitutes CGRF for each Revenue Division of the State, and, submits that this direction by the ATE, gets complied since a forum already exists at each of the Head Quarter of the Revenue Divisions in the State of Maharashtra.

5. Based on above submissions, the Petitioner has submitted that the creation of new CGRF at each of the newly created Zones i.e. Jalgaon Zone, Nanded Zone and Baramati Zone may not be necessary, since the consumers situated in these Zones, can always approach the CGRF of their respective *parent* Zone, and previously also, they were under the jurisdiction of the same CGRF, and that such arrangement will not cause any inconvenience to the consumers.

6. With the above, the Petitioner has prayed for relaxation of the provisions of Regulation 3.2 of the MERC (CGRF&EO) Regulations, 2006, and for exempting the Petitioner from constituting the Forums for the aforesaid newly created three (3) Zones, at Jalgaon Zone, Nanded Zone and Baramati Zone

7. During the hearing held by the Commission, on 19th November, 2010, in the matter, the Petitioner reiterated its submissions, where no new element/ reasoning besides the points raised in the aforesaid submissions, were added. The Commission had observed that the matter required a deeper analysis of the available data and also that the consumers' convenience in reaching the CGRF Office of that area, needed to be taken into account. The Commission also observed that it has a duty to strengthen the Consumer Grievance Redressal Mechanism in the State.

The Commission also directed its office as follows:-

A) To arrange for involvement, in the matter, of the Authorised Consumer Representatives as well as Consumer Representative Organisations from the areas falling under the newly created three(3) Zones, and to invite them for presenting their views in the matter at the next hearing, since their inputs would be essential, and also,

B) To obtain comments from the Ombudsman, in the matter.

8. Consumer Representative Organizations from the three (3) new Zones, were invited to render their views in the matter. This was based on the list of organisational objectors on Commission's records for the areas under the three (3) new Zones. The members of these Consumer Representative Organizations had made representations before the Commission in the previous year during the Public Hearings held in concerned Revenue Divisions of the State in the matters of Tariff Orders of MSEDCL. Also, two (2) nos. of Organisations were from each of the area within the concerned new Zone or from its original Zone randomly selected from the lists.

9. In response to above, replies from only two Organisations, as detailed below, were received by the Commission's office. The letter of Notice sent to an organisation at Aurangabad, however, was subsequently returned as undelivered.

a) Jalgaon Ind. Association, Jalgaon ("JIA") vide its letter dated 5th Jan., 2011, submitted that *since the inception of Jalgaon Zone, the cases of Jalgaon region are not being given justice in the right way, - - -. This is a serious grievance of some of our members of our association. CGRF in Jalgaon Zone is justified and should be brought into existence immediately and urgently.*

b) Maharashtra Rajya Veej Grahak Sanghatana, Dhule ("MRVGS"), vide its letter dated 25th February, 2011 made its submissions, stated in brief as follows:-

1. The consumer, in the case of Distribution Licensee not providing good service to the consumer, can approach the CGRF, which is an independent forum. In case of the CGRF's order not being acceptable to the consumer, the consumer can approach the Ombudsman, for judgement, but the Licensee can not. The Mahavitaran is objecting constituting the CGRFs, but their request should be rejected and the CGRF needs to be situated at Dhule, in place of Jalgaon, since Dhule is at a central place for Jalgaon and Nandurbar, which would be convenient for the consumers to approach.
2. In regard to the three tier consumer grievance redressal mechanism, spreading awareness of the same among the consumers, is responsibility of MSEDCL, which MSEDCL is not doing adequately. Further, from approx. 25 to 28 Lakh consumers, in Nashik Zone, in past four years, there have been mere 76 grievances, out of which 83% were from Nashik city and rural areas, and, 17% from Ahmednagar area. In the year 2009-10, no case was filed with the CGRF, from the areas of Nandurbar, Dhule and Jalgaon, is mainly due to lack of spreading the awareness among the electricity consumers. Also, that information with respect to the mechanism, is not available in the bills or at bill collection centres. There is no doubt that once the details of Internal Grievance Redressal Cells and the CGRFs, is available to the consumers, these will be flooded with complaints from the consumers.

10. The Ombudsman vide its letter dated 27th January, 2011 observed that *the less number of grievances in these areas could be due to less awareness of the consumers.* This could be due to inadequate steps taken by the licensee to publish its draft rules and procedures for redressal of grievances and make the same available to public at its offices, cash collection centres and information leaflet through bills, etc. It could also be due to inadequate public awareness programs to be taken up by the Internal Grievance Redressal Cell (IGRC) and Forums.

11. For the hearing scheduled on 3rd March, 2011, the notice was issued to all parties including the six (6) nos. of Consumer Representative Organizations, mentioned above.

12. During the hearing held on 3rd March, 2011, Shri S. V. Bapat, Suptd Engineer (TRC), MSEDCL appeared on behalf of the Petitioner, while Shri Sham Patil, Chairperson, Maharashtra Rajya Veej Grahak Sanghatana (Dhule) ("MRVGS"), appeared as one of the invitee Consumer Representatives.

The Petitioner reiterated its submissions. In response, MRVGS reiterated its aforesaid submissions, saying that MSEDCL's local offices need to make efforts for improving the awareness among the consumers, and that, in FY 2009-10 no cases were filed with the Nashik CGRF, as there is a lack of awareness among the consumers. He further submitted that in the areas of Nandurbar, Dhule and Jalgoan no awareness programmes were carried out. The number of unnoticed complaints is very high.

After hearing the parties, the Commission observed that data submitted by the MSEDCL was not sufficient to take a decision in the matter. The Commission directed the Petitioner to submit area-wise details of the types of complaints received, and also an analysis of the grievances filed before the CGRFs, with consideration of the distance travelled by the consumer as against the disputed amount.

13. Further, the Commission directed its office to simultaneously arrange to carryout a study in the areas of MSEDCL, by a sample survey, to find out the level of awareness among the consumers.

14. The Petitioner vide its letter, received by the Commission's office on 14th June, 2011, submitted the data in regard to the number of grievances received by the CGRFs in MSEDCL's area, in the past three years, based on the types of complaints/ issues such as the non-supply/ connection related, meter related, billing related, refund of security deposit etc. In addition, the Petitioner submitted the information on grievances involving the approximate distances of the consumers' places from the CGRF Office and the disputed amount.

15. During the hearing held on 23rd June, 2011, Shri S. V. Bapat, S.E. (TRC), MSEDCL made a presentation before the Commission. From the presentation covering the five (5) Zones, as mentioned earlier, out of which the new three (3) Zones have been carved out, it was observed that except in case of Kolhapur Zone, in other Zones, a large percentage of the grievances coming to the CGRFs, were from the areas within 100 kms from the CGRF office, whereas in case of Kolhapur, the number of complaints was high from the consumers at distance between 101-200 kms. Shri Sham Patil, Chairperson, Maharashtra Rajya Veej Grahak Sanghatana (Dhule) ("MRVGS"), appeared as the invitee Consumer Representative, but no additional submission was made.

16. Subsequently, for further procedural clarifications in the matter, a hearing was held on 11th July, 2011, where the Petitioner was represented by Shri S. S. Katkar and Shri K. L. Shaikh, both from MSEDCL. The Petitioner reiterated its submission, and no new information or data was added.

17. Having heard the parties and after considering the materials on record, the Commission is of the view that dissemination of awareness of the Consumer Grievance Redressal Mechanism among the electricity consumers needs to be continuously encouraged in the interest of consumers. In this respect, MSEDCL, the Petitioner, needs to take steps so

that the consumers in the remote areas also get to know of their rights in the matter as well as the Grievance Redressal Mechanism.

The Commission is not inclined to accept the relaxation sought by the Petitioner from constitution of CGRFs at the newly created three (3) Zones, namely Jalgaon Zone, Nanded Zone and Baramati Zone. However, the Commission is of the view that to begin with, MSEDCL should arrange for Camp Office/ regular hearings to be held, say once in a week on pre-fixed dates, at the new Zonal areas, by the nearest CGRF. In regard to the hearings to be held, MSEDCL shall make constant endeavour to take steps in accordance with the requirements herein to provide as much information suo motu to the public at regular intervals through various means of communications, including internet, so that information is disseminated widely and in such form and manner which is easily accessible to the public, including by making known or communicating the information to the public through notice boards, newspapers, public announcements, media broadcasts, the internet or any other means.

MSEDCL is directed to keep the Commission informed of the developments in the matter, on regular basis.

Accordingly, the Petition in Case No. 65 of 2010, stands disposed of.

Sd/-
(Vijay L. Sonavane)
Member

Sd/-
(V. P. Raja)
Chairman