

Before the
MAHARASHTRA ELECTRICITY REGULATORY COMMISSION

World Trade Centre, Centre No.1, 13th Floor, Cuffe Parade, Mumbai 400005.

Tel. 022 22163964/65/69 Fax 22163976

Email: mercindia@mercindia.org.in

Website: www.mercindia.org.in

Case No. 146 of 2011

In the matter of

Complaint filed by Shri. Dhan Ayurved Agro Agriculturals against MSEDCL, under Section 142 of the EA, 2003, alleging the non-compliance of the Order dated 4.5.2011, passed by the CGRF, Kolhapur Zone, in the matter of refund of cost of infrastructure and excessive charges collected.

Shri V. P. Raja, Chairman

Shri Vijay L. Sonavane, Member

Shri Dhan Ayurved Agro Agriculturals,
Prop. Shri. Dhananjay Dadasaheb Pardeshi
At Post- Waghwadi, Tal- Walwa, Dist-Sangli
Pin 415 407

...Complainant

V/s

1. Executive Engineer(O) & Nodal Officer,
Maharashtra State Electricity Distribution Company Limited
O & M Circle Office, Vishrambaug, Sangli, Dist.- Sangli, Pin- 416 416
2. Executive Engineer, Maharashtra State Electricity
Distribution Company Limited O & M Division Office, Islampur,
Dist.- Sangli, Pin- 415 409

..... Opponents

Present during the hearings:

For the Complaint: Shri Gopalkrushna Dhananjay Pardeshi

For the Opponents: Shri. N. R. Gandhale, Executive Engineer, MSEDCL, Shri.
P. D. Satale, Jr. Manager (II), MSEDCL

ORDER

Dated: January 02, 2012

Shri Dhan Ayurved Agriculturals, the Complainant, filed a complaint before the Commission on 4.12.2011, against Maharashtra State Electricity Distribution Company Limited (“MSEDCL”) the Opponent, under Section 142 of Electricity Act, 2003 (“EA 2003”), alleging non-compliance of an Order dated 4.5.2011, passed by the Consumer Grievance Redressal Forum (“CGRF”), Kolhapur Zone, in the matter of refund of cost of infrastructure and excessive charges collected.

2. The prayers made by the Complainant, are as under:

“

- १) प्रतिवादी क्र.२ यानी गेले दोन बिलातून मुददूल परतावा देणे चालू केलेले आहे.तरी मा. कोल्हापूर मंच यांचे आदेशप्रमाणे व्याजही देणे चालू करावे असा आदेश मिळावा ही विनंती.
- २) ही याचीका दाखल करावा लागली, या साठी झालेल्या खर्चा पोटी मा.आयोगा निष्चीत करेल ती रक्कम प्रतिवादी यानी वादी याना देण्याचा आदेश व्हावा ही विनंती.
- ३) इतर न्यायाचे आदेश वादी यांचे वतीने व्हावेत ही विनंती.
- ४) जरूर भासल्यास याचिकेत योग्य ती दुरुस्तीस परवानगी असावी ही विनंती.

”

3. The brief facts of the matter as submitted by the Complainant are set out hereunder: :
- a. The Complainant is having an industrial unit situated at village Waghwadi, Tal- Walwa, Dist- Sangli, within the area of supply of Opponent.
The Opponent vide its sanction letter No. SE/SC/DS/36/07-08 dated 7.9.2007 had released 40 HP connection to the Complainant's industrial premises at Gat No. 214.
 - b. The Estimated Cost was Rs. 4,91,110. Thereafter on 10.10.2007, the Complainant paid an amount of Rs. 30,995/-, vide receipt No. 0289636.
 - c. As per the sanctioned estimate, the required infrastructure (LT & HT Line etc.,) was erected through licensed electrical contractor at the applicant's own cost and subsequently the connection was released(40 HP Load) on 1.2.2008 bearing Consumer No. 284670401225.
 - d. It was alleged that the Opponent had not provided the electricity supply as per its "**Guidelines for releasing new connections and augmentation**" vide Circular No. – CE/DIST/D-III/Circular/22197 dated 20.5.2008 and the Commission's Order dated 16.2.2008 in Case No. 56 of 2007.
 - e. The Opponent in its Circular regarding "**Guidelines for releasing new connections and augmentation**" had clarified that the power supply for loads more than 500 KVA would be released under Dedicated Distribution Facilities (DDF) scheme. Otherwise for loads less than 500 KVA, the Opponent would refund the cost of infrastructure incurred by the consumer through the energy bills.
 - f. In the present case it was alleged that the Opponent had not provided the electricity supply as per Regulation 2.1(g) of MERC (Electricity Supply Code and Other Conditions of Supply) Regulations, 2005.
 - g. Thereafter, the Opponent had agreed to refund the cost of **Rs. 2,48,897/-** towards infrastructure as per the work completion report
 - h. However, the Commission by an Order dated 16.02.2008 in Case No. 56 of 2007 had clarified the meaning of DDF. The relevant para of the Order reads as under:
*"(g) "**Dedicated distribution facilities**" means such facilities, not including a service line, forming part of the distribution system of the Distribution*

Licensee which are clearly and solely dedicated to the supply of electricity to a single consumer or a group of consumers on the same premises or contiguous premises;”

It is clear from this defined term that mere extension or tapping of the existing line (LT or HT) cannot be treated as Dedicated Distribution Facility.

- i. Thereafter aggrieved by the Opponents inaction the Complainant approached the IGR Cell at Circle Office, Sangli, on 24.8.2010 in response to which the IGR Cell asked the Executive Engineer, O&M Division, Islampur, Dist-Sangli vide letter No. 10856 dated 1.10.2010(Complaint No. 438) to refund the DDF amount as per the Commission’s Order and DDF Circulars.
- j. The IGR Cell had not mentioned in its letter the exact amount to be refunded. Hence, the Complainant filed a grievance before the CGRF, Kolhapur Zone, on 14.10.2010. The CGRF passed an order dated 4.5.2011, the extract’s of the aforesaid Order directing the Opponent, is set out hereunder:

“MSEDCL, Islampur, is directed to refund the amount of Rs.2,48,897.30/- with interest at the rate of 12% from 1.2.2008 through regular bills till the amount is adjusted.
- k. The Complainant further submitted that the Opponent has started refunding infrastructure charges through bills of July-August 2011, however, it is not refunding interest at the rate of 12% as per the directions in the CGRF Order.
- l. The Complainant submitted that the Opponent had filed a Writ Petition before the Hon’ble Bombay High Court. But till date, Hon’ble Bombay High Court has not admitted the aforesaid Writ Petition.
- m. The Complainant submitted that the refund of infrastructure cost along with interest is being paid to one of the consumer M/s. Surya Biofuel, Peth, Tal-Walwa, even though the aforesaid Petition regarding refund of interest which was filed by the Opponent before the Hon’ble High Court is not admitted.
- n. It was submitted by the Complainant, that the aforesaid CGRF Order has not been complied with by the Opponent. Therefore the Complainant on being

aggrieved by the non-compliance of the CGRF's Order by the Opponent, has filed the present complaint before the Commission.

4. The Commission vide Notice dated 17.10.2011, scheduled a hearing in the matter, on 25.11.2011.
5. During the hearing held on 25.11.2011, the Complainant submitted that the Opponent has already refunded the infrastructure cost along with interest.
6. During the hearing, both parties accepted and agreed that the grievances have been resolved.

With above, Case 146 of 2011 stands disposed of. No order as to costs.

Sd/-
(Vijay L. Sonavane)
Member

Sd/-
(V. P. Raja)
Chairman