



VIDYUT OMBUDSMAN FOR THE STATE OF TELANGANA

First Floor 33/11 kV substation, Hyderabad Boats Club Lane
Lumbini Park, Hyderabad - 500 063

:: Present:: **R. DAMODAR**

Tuesday, the Twelfth Day of July 2016

Appeal No. 29 of 2016

Preferred against Order Dt. 21-03-2016 of CGRF In

CG.No: 120 /2016 of Mahaboobnagar Circle

Between

M/s Creamline Dairy Products Limited, Represented by Sri. D. Hari Krishna -
Sr. Executive -HR, #6-3-1238/B/21, Asif Avenue, Rajbhavan Road,
Somajiguda, Hyderabad - 500 082. Cell No. 9441231020, 8008122443.

... Appellant

AND

1. The AE/OP/Amangal/TSSPDCL/Mahaboobnagar Dist.
2. The ADE/OP/Amangal/TSSPDCL/Mahaboobnagar Dist.
3. The AAO/ERO/Kalwakurthy/TSSPDCL/MahabbobnagarDist.
4. The DE/OP/Jadcherla/TSSPDCL/Mahaboobnagar Dist.
5. The SE/OP/MBNR Circle/TSSPDCL/Mahaboobnagar Dist.

... Respondents

The above appeal filed on 13.05.2016, coming up for hearing before the Vidyut Ombudsman, Telangana State on 08.06.2016 at Hyderabad in the presence of Sri. D. Hari Krishna - for the Appellant Company and Sri. K. Ramulu - AAE/OP/Amangal, Sri. D. Chakravarthy - ADE/OP/Amangal, Sri. T. Yella Reddy - AAO/ERO/Kalwakurthy for the Respondents and having considering the record and submissions of both the parties, the Vidyut Ombudsman passed the following;

AWARD

The Appellant is a consumer with SC No. 2112 00344, Category LT-III industry. The Appellant lodged a complaint with the CGRF alleging that they have discontinued the operation of their company w.e.f 27.1.2015 and requested the DISCOM on the same day for disconnecting the service. Still the Respondents have

been issuing the bills without considering the request of the Appellant for discontinuation/dismantling of the service connection. The 2nd Respondent issued a notice demanding payment of Rs 2,33,299/- towards short billing due to defective meter reading. The Respondents kept quiet for the last 3 years and raised this amount on the ground of alleged defective reading. The Appellant sent an objection on 11.5.2015 to the DISCOM without evoking any response. The DISCOM has failed to disconnect the service and it has been sending monthly bills for 0 consumption.

2. The 2nd Respondent ADE/OP/Amangal submitted a reply dt.4.2.2016 before the CGRF stating that a case was booked by the DPE wing of MBNR circle on the complaint of the then AAE/OP/Amangal(R1) on 15.10.2014 and the meter was tested by M&P wing on 20.2.2015 and as per the test report, R and B phase voltage was missing due to the meter defect and the meter has -66.66 % error. A provisional assessment notice was issued to the Appellant vide letter dt.31.3.2015 as per Clause 7.5.1 of GTCS stating that if the consumer wished to continue supply, it has to pay 50% of the assessed amount i.e Rs 1,16,650/- within one week. The Appellant did not respond to this provisional assessment notice. The 2nd Respondent claimed that when the Appellant failed to clear the assessed amount either partially or fully and has not proceeded against the assessment order, the Respondents kept the service under disconnection without removing the meter.

3. The Appellant through its senior executive complained that the Respondents have not disconnected the power connection on their request and on the other hand, issued a demand notice for Rs 2,33,299/- for dismantling the connection. He further claimed that the Appellant is not responsible for installation of a defective meter and they are not expected to check the meter regularly and rectify any defects. He further stated that the officials of the DISCOM have failed in their duty and therefore the Appellant need not pay the demanded amount.

4. The 1st Respondent/AAE/O/Amangal repeated whatever has been stated by the 2nd Respondent ADE/O/Amangal through his letter dt.4.2.2016.

5. After hearing and on the basis of the record, the CGRF through impugned orders, directed the Appellant to approach the DE/OP/Jadcherla/R4 to get the back billing case finalised.

6. Aggrieved and not satisfied with the impugned orders, the Appellant preferred the present Appeal alleging that the Appellant secured power connection on

19.1.2012 and have conducted operation like chilling of milk etc till 27.1.2015 when the unit was closed and made a request on the same date to remove the service connection. The Appellant claimed that it had cleared all the CC bills till the last day and suddenly they received a notice dt. 31.3.2015 demanding payment of Rs 2,33,299/-. The Appellant questioned the inaction of the DISCOM for last 2 years and the demand based on defective meter with error of -66.66%, which is imaginary, unjust and untenable. The Appellant sent objection to the demand notice on 11.5.2015 which evoked no response from the DISCOM. So far, the service connection has not been dismantled and the demand for short billing is continued, which is not legal. The Appellant is also aggrieved because, instead of issuing orders solving the grievance, the forum evaded its responsibility in directing the Appellant to approach DE/OP.

7. The 2nd Respondent in this Appeal filed a report dt.28.5.2016 repeating the same allegations as he made before CGRF. He further stated that since the consumer has not cleared the assessed amount either partially or in full, and has not represented to the DISCOM officials regarding the demand notices, the meter was not removed based on the rules and regulations of the GTCS and claimed that there is no violation of rules in the present matter.

8. Efforts made to settle the dispute in the mediation have not succeeded because of the known stand of each party to the dispute.

9. On the basis of the record and contentions, the following issues arise for disposal.

i. whether the short billing on the basis of the alleged defective meter with -66.66% error resulting in missing of "R" &"B" phase voltages and issue of demand notice for Rs 2,33,299/- is valid?

ii. Who is responsible for the continuation of the defect in the meter from 3.5.2012 to 20.2.2015 and consequent loss to DISCOM?

iii. Whether the impugned orders are liable to be set aside?

ISSUES 1 to 3

10. The service connection was released on 19.1.2012. The Appellant company closed the unit in January,2015 and requested the DISCOM to disconnect power connection on 27.1.2015. The DPE wing inspected the service connection on 15.10.2014 earlier and at the request of DPE wing the meter was tested by M&P

wing on 20.2.2015. The testing disclosed missing voltage in “R” & “B” phases due to defective meter with -66.66% error. The inspection on 15.10.2014 with the meter tested by M&P wing on 20.2.2015, disclosed as shown in the assessment notice dt.31.3.2015 of the 2nd Respondent the following:

- a) all seals are intact
- b) healthy 3 phase power supply available and not being used
- c) “R” & “B” phase voltages found zero on meters display
- d) meter data logged into MRI

and these missing voltages were calculated right from 3.5.2012, that is about more than 3 and 1/2 months after giving the service connection on 19.2.2012.

11. There is no material to show that the meter was meddled with at any time. For 3 years, the reading of consumption was being taken, the bills were being issued and the Appellant has been paying the bills regularly and promptly.

12. There is absolutely nothing to show on record as to who is responsible for checking the meter, which was found defective right some time after release of the service connection, either in the assessment notice or in the final assessment order. Ultimately, the Respondents threw the entire burden on the Appellant by giving assessment notice demanding payment of Rs 2,33,299/- with final assessment order dt.14.4.2014 issued by the 3rd Respondent, confirming the preliminary assessment notice.

13. The rules governing the short billing cases are given in the GTCS annexure XII(VII)(C).

Under this annexure the meter has been tested with Accu Chek/Electronic Reference Standard (ERS) meter at site and % error is to be arrived at and billed for the period when the meter was defective. If the period of the defect can be established with the aid of production figures of consumer and MRU dumps(Meter Reading Instrument), the assessment is to be undertaken for the period when the meter was defective as per the formula. Annexure XII(VII)(C) of GTCS mentioned below. Guidelines for assessment of short billing cases

Short billing arising out of Defective Meter:

	Unit of measurement	Formula
Number of units recorded by the defective meter due to two phases defect from.....to	Units	A
Number of units that would have been recorded if the meter had been working normally in three phases	Units	$B = A * 100 / (100\% + \% \text{ error})$ Where the % error is a negative value
Energy lost during the period	Units	$B - A = C$
Cost of energy	Rs per Unit	D
Value of energy lost	Rs	$C * D = E$
Total Electricity charges payable	Rs	E
	Unit of measurement	Formula

14. As per the inspection report, the short billing was proposed regarding missing of voltage in “R”&”B” phases. In view of this defect, the meter records less than the actual consumption and based on Meter Relay Testing (MRT) wing report, short billing was proposed.

15. The period of voltages missing can be arrived from the dumps logged in from the Meter Reading Instrument (MRI). The assessment calculation for the Appellant service for the period from 3.5.2012 to 20.2.2015 is as follows:

Contracted load	18650	Connected load	18650 W
Assessment from period	03-May-2012	Assessment to period	20-Feb-2015
Units assessed	$60460 \text{ Units} = \frac{100}{(100-66.66)} \times 20157$ $= 60460$	Units Recorded	20157 Units
Units lost	40303 units		
Amount	Rs 230880.00		
Electricity duty charges	Rs 2419/-		
Total Amount	Rs 233299.00/- Rupees Two Lakh Thirty Thousand Two Hundred Ninety Nine only.		

16. The short billing amount of Rs 2,33,299/- found above is line with annexure XII(VII)(C) of GTCS.

17. It is clear from the material on record, that the meter was not meddled with and the seals were intact. About 3 and ½ months after the meter installation, voltages were found missing in 2 phases. The Appellant is not at fault and therefore, the penal charges were not levied and only short fall units were assessed. The contention of the Appellant is that when there is no fault on their side and they have been paying the CC bills promptly, they should not be burdened with the short billing charges, especially when the Appellant requested for dismantling of the service connection. Though there was no fault of the appellant, it is clear from the inspection report and the material on record, that there was short billing because of the defect in the meter in the two phases resulting in the Appellant paying energy charges only partly and the energy charges which have not been recorded, have to paid by the Appellant.

18. It is significant to note that the officials of the DISCOM have failed to notice the missing of voltage in R & B phases of the meter, so soon after its installation. Whoever had taken the meter reading continuously, have failed to read the defect and failed to discharge his duties in the matter, resulting in the present dispute and burden on the Appellant. It is in the fitness of the things that this failure to take action and failure to note this missing of voltage for 3 long years in 2 phases is an important lapse on the part of the staff of the DISCOM, and the person/official who has been taking the monthly meter readings, need to be disciplined in the matter and the Appellant is compensated proportionally.

19. For the inaction on the part of the concerned officials, who failed to note about the missing voltage in 2 phases in the meter for a period of 3 years, have to be imposed with burden of Rs 10,000/- which shall be deducted from the amount of Rs 2,33,299/- and recovered from the responsible persons of the DISCOM. In this regard, the DISCOM shall cause enquiry into the matter, identify the persons responsible for inaction for such a long period and recover this amount of Rs 10,000/- to offset the shortfall in the final assessment amount.

20. The CGRF instead of deciding the matter at their level, directed the Appellant to approach the DE/OP(R4) to get the short billing assessment finalised, which amounts to evading responsibility in settling the dispute raised by the consumer

against the DISCOM. The impugned order, instead of giving a decision on the dispute, caused agony to the Appellant without solving the issue once for all. The impugned order cannot be sustained and it is liable to be set aside. The issues 1 to 3 are answered accordingly.

21. In the result the appeal is disposed of directing :

i. The short billing assessment and consequent final assessment demanding payment of Rs 2,33,299/- from the Appellant is found to be correct and legal and the Appellant is liable to pay this amount minus Rs 10,000/- awarded to the Appellant from the DISCOM.

ii. The DISCOM shall cause enquiry, identify the person who has been taking the monthly meter readings, fix the responsibility and recover Rs 10,000/- from him for the serious lapse.

iii. The defect in the meter was from 3 and ½ months after releasing the service connection and the period of meter defect was obtained from the dumps logged in from the Meter Reading Instrument (MRI) data, which disclosed that the defect started from 3.5.2012 and continued till 20.2.2015. Since the data obtained is trustworthy and there is no material to dispute the data, the Respondents are justified in arriving at the defect in the meter and missing of voltages from “R” & “B” phases of the meter and the evaluation of the error at -66.66%.

iv. The impugned orders are set aside.

23. This award shall be implemented within 15 days of its receipt at the risk of penalties as indicated in clauses 3.38, 3.39, and 3.42 of the Regulation No. 3/2015 of TSERC.

Typed by CCO, Corrected, Signed and Pronounced by me on this the 12th day of July, 2016.

Sd/-

VIDYUT OMBUDSMAN

1. M/s Creamline Dairy Products Limited, Represented by Sri. D. Hari Krishna - Sr. Executive -HR, #6-3-1238/B/21, Asif Avenue, Rajbhavan Road, Somajiguda, Hyderabad - 500 082. Cell No. 9441231020, 8008122443.

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6. The SE/OP/MBNR Circle/TSSPDCL/Mahaboobnagar Dist.

Copy to:

7. The Chairperson, CGRF -1, TSSPDCL, GTS Colony, Vengal Rao Nagar, Erragadda, Hyderabad.
 8. The Secretary, TSERC, 5th Floor, Singareni Bhavan, Red Hills,Hyderabad.
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