



**BEFORE THE VIDYUT OMBUDSMAN
Andhra Pradesh :: Hyderabad**

:: Present ::

C. Ramakrishna

Date: 28-10-2015

Appeal No. 4 of 2015

Between

Sri. K. Kasi Viswanadha Naidu, S/o. Late Ramu, D.No. 9-286, Main Road, Opp: Z.P.

High School, Gopalapatnam, Visakhapatnam-27

... Appellant

And

- 1. The AE/Operation/APEPDCL/S. Kota/Vizianagaram District**
- 2. The AAO/ERO-Rural/APEPDCL/Vizianagaram District**
- 3. The ADE/Operation/APEPDCL/S.Kota/Vizianagaram**
- 4. The DE/Operation/APEPDCL/Vizianagaram District**

... Respondents

The above appeal filed on 18-05-2015 has come up for final hearing before the Vidyut Ombudsman on 12-10-2015 at Visakhapatnam. The appellant, as well as respondents 2 to 4 above were present. Having considered the appeal, the written and oral submissions made by the appellant and the respondents, the Vidyut Ombudsman passed the following:

AWARD

2. The appeal arose out of the complaint of the consumer about excessive bill received by him against his service connection.

3. The appellant stated in his appeal that he is running a stone crusher for the last 12 years; that all this while, he had observed that the monthly bill varied between Rs. 15,000/- to Rs. 20,000/-; that in the month of October, 2014 the DTr through which the supply is being made to his unit had suffered damage due to Hudhud Cyclone; that by November, 20 power supply to the unit was restored after undertaking repairs; that power to the unit was supplied for a period of 10 days only after November, 20 but that he had received a bill for Rs. 82,367/- for the month of December, 2014; that the next month's bill i.e., January, 2015 was issued for Rs. 60,991/-; that soon after his complaints about such huge bills on 22-01-2015, the respondents disconnected the power supply on 27-01-2015, saying that there is a problem with the meter; that as the CGRF was not considering his case in spite of approaching them, he had to approach the Hon'ble High Court in W.P. No. 5981/2015; that on coming to know that the Hon'ble Court had passed orders in his favour, the CGRF had disposed his case without looking into the issue properly, by ante-dating its order; that his unit is still not being supplied power; that the CGRF had not even issued a notice to him before issuing its order; that the CGRF's findings that the capacitors installed are defective, is not borne by facts; that therefore, the CGRF's direction that the outstanding bills shall have to be paid is not correct; that therefore, the respondents should be ordered to restore supply to his unit without demanding payment of the inflated bills; and that the illegal demand for the two months of December, 2014 and January, 2015 needs to be revised downwards.

4. Notices were issued for hearing the matter. On 24-08-2015, the appellant filed a copy of the final order dated 16-06-2015 from the Hon'ble High Court dismissing the W.P filed by him as having been withdrawn. He further explained that in spite of the Hon'ble High Court's interim order dated 11-03-2015 directing restoration of power to his unit, by correcting the meter, the same was not done by the respondents and that the CGRF too had hastily passed its order dated 11-03-2015 without giving him an opportunity of being heard. The respondents on their part said that the meter is not faulty as suspected by the consumer. They further stated that they got the capacitors replaced by the consumer as there could be fault with them and that even then the problem persisted. They also submitted that the power supply to the consumer's premises was restored on 18-07-2015 but that the consumer is not availing the supply as he is still suspecting that there is excessive reading being recorded by the meter. They therefore submitted that they will have the DTr tested as it could be faulty. Hence they sought time to have the DTr also tested before coming to a firm conclusion as to the reasons for excessive reading. Accordingly time was granted and the matter was adjourned to 12-10-2015. The respondents were also directed to have the meter tested and file the test report by the next date of hearing.

5. Hearing was resumed on 12-10-2015. The respondents filed the meter test report and the DTr test report and confirmed that there is a problem with the DTr which resulted in the meter recording excessive consumption. They submitted that this is a very rare case where a faulty DTr is causing excessive recording of consumption. They submitted that they had already replaced the DTr with a new one on 06-10-2015 and that there is no problem at all now. A perusal of the test report of the DTr revealed that the DTr had recorded Voltage of 433.18, Current of 11.024,

Losses of 519.34, Power Factor of 0.0620 and Frequency of 50.02 in the No Load Test and a Voltage of 492.02, Current of 3.3156, Losses of 1178.8, Power Factor of 0.4170 and Frequency of 49.96 in the Full Load Test. The consumer confirmed that the respondents had replaced the DTr as stated by them.

6. During the course of the hearing, the appellant stated that because of the non-rectification of the problem and also in view of the non-consideration of the issue properly by the CGRF, he had to keep his unit under closure as he was not able to pay the inflated bills. The key points that arose for consideration in this appeal are:

- a. Whether or not the DISCOM is responsible for the delay in the rectification of the DTr problem;
- b. Whether or not and to what extent the consumer would be eligible for compensation; and
- c. Whether or not the CGRF's order is liable to be set aside in this case.

7. Coming to the first issue, it is not in dispute that the consumer had complained about excessive bill soon after he received the bill for the month of November, 2014 payable in December, 2014. Instead of investigating the complaint properly, the respondents had brushed aside the complaint of the consumer. This is a consumer with a load of 50.67 HP under LT III A category. The Tariff Order for 2013-14 had done away with the sub-categorization as A and B and mentioned only LT III as one category of consumers. The metering and load conditions specified by the Tariff Order are extracted below for ready reference:

3) Metering and load Conditions

- i. A LT Tri-vector meter shall be provided for the consumers with contracted load of 15 kW/20 HP to 37.5 kW/50 HP.
- ii. For loads above 37.5 kW/50 HP to 75 kW/100 HP, the metering will be provided on HT side of the Distribution Transformer.
- iii. Energy charges shall be billed on kVAh basis, for all consumers with contracted load of 15 kW/20 HP and above. For loads below 15 kW/20 HP, billing shall be done based on kWh.
- iv. If the recorded demand of any service connection under this category exceeds the 75 kVA (1 kVA = 1 kW), such excess demand shall be billed at the demand charge prescribed under HT Category-I (11 kV supply).
- v. In cases where metering is provided on LT side of transformer (due to space constraints), 3% of the recorded energy during the month shall be added to arrive at the consumption on High Tension side of the transformer.

8. As can be seen from the above extract, the consumer's meter ought to have been on the HT side of the DTr. What this implies is that if the DTr becomes faulty and thereby the meter records inflated consumption, the consumer's bill will become inflated for no fault on his part. This is because a DTr -- whether installed by the consumer at his own cost or the DISCOM -- is supposed to be maintained by the DISCOM. Therefore, when the consumer complained of inflated bills, the DISCOM ought to have tested the DTr before brushing aside the consumer's complaint. For an item whose maintenance is not under his control, if the consumer gets inflated bills because of its poor maintenance or fault, he cannot be made to bear the consequences. In this case, the consumer was served with inflated bills and in spite of his complaint about the inflated bills, the DISCOM did not respond with the alacrity and thoroughness that is expected of it. Unable to bear the huge demand, the consumer ran from pillar to post -- the CGRF and the Hon'ble High Court -- seeking

relief. As relief was slow in coming, he preferred to shut down his unit rather than operate it in such condition. The DISCOM ought to know that delays on its part are having far reaching consequences -- in this case, the livelihood of people who are working for the unit. It is undoubtedly the non-looking into in time of the problem with the DTr that had resulted in the sad state of the unit being shut down. The DISCOM is squarely responsible for this sordid state of affairs.

9. Coming to the second issue, the case is one which attracts the standard laid down for resolving the billing complaints of the consumer. Schedule II of the SoP regulation mentions the compensation payable for not meeting the guaranteed standard of performance for resolution of billing complaint as below:

Sl. No.	Service Area	Time Standard	Compensation payable in case of violation of Standard	
			Compensation payable to individual consumer if the event affects a single consumer	Compensation payable to individual consumer if the event affects more than one consumer
XI	Resolution of complaints on consumer's bill			
i	If no additional information is required	Within 24 working hours of receipt of complaint	Rs.50 for each day of default	Not Applicable
ii	If additional information is required	Within 7 working days of receipt of complaint		

10. It is clear from the flow of events during the course of hearing that there was a failure on the part of the DISCOM in meeting this SoP norm. The moment he received a disproportionate bill, the consumer complained that the bill is excessive. Instead of acting on it with the thoroughness that is demanded of it, the DISCOM resorted to disconnection of service for non-payment of dues. The consumer had to acquiesce in it because he found that paying such disproportionate bills is worse. The respondents

ought to have investigated the reasons for the inflated bills. On approaching the CGRF, the respondents appear to have argued successfully and the CGRF too had bought the argument that there could be something wrong with the capacitors. Even after coming to know that the capacitors were changed and hence could not be possibly defective, the respondents ought to have suspected the DTr and taken corrective action. Ultimately, by the time it struck them that there could be fault with the DTr, almost an year has gone by. He also had to keep his unit out of production. This is a sorry state of affairs. The consumer had complained about excessive bill right on 22-01-2015. The respondents had ultimately been able to zero in on the problem and replace the DTr on 06-10-2015. This is a delay of 250 days for rectifying the cause of the problem. The problem of rectification of the bill still persists and will be gone only when the consumer is served with revised bills. Therefore, the consumer is entitled for a compensation of Rs. 50/- for each day of default on and from 29-01-2015 to the date of serving of the revised bills on the consumer.

11. Coming to the last issue that is framed, the CGRF had not done a thorough job of examining the issue. The Forum noted in its order that the power factor is found to be 0.26 from the bills issued to the consumer and concluded that this is due to the improper maintenance of the capacitors by the consumer. This is a very hasty conclusion. Nothing was on record to show that the respondents had conducted an inspection of the capacitors and that they are found to be defective. In the absence of this, holding that the capacitors are defective is not warranted and cannot be supported. Therefore, the CGRF's order is liable to be set aside.

12. Therefore, it is hereby ordered that:

- the order issued by the CGRF is set aside as it is bereft of merit;
- the DISCOM shall pay a compensation of Rs. 50/- per day to the appellant for the delay in rectifying the billing problem;
- the period for which the above compensation is payable shall be computed from 29-01-2015 to the day on which the consumer's account is adjusted with the credit relating to the downward revision of inflated bills for the two months in question;
- the respondents shall bill the consumer for the two months in question on the basis of average consumption for the last three billing cycles in accordance with clause 7.5.1.4.1 of the GTCS;
- the consumer shall be billed monthly minimum charges for the remaining months during which his service was under disconnection;
- the respondents shall pay the above referred compensation by way of bill adjustment within 15 days from the date of receipt of this order and report compliance thereof within 15 days from thereafter.

13. This order is corrected and signed on this 28th day of October, 2015.

14. A digitally signed copy of this order is made available at www.vidyutombudsman.ap.gov.in.

VIDYUT OMBUDSMAN

To

1. Sri. K. Kasi Viswanadha Naidu, S/o. Late Ramu, D.No. 9-286, Main Road,

Opp: Z.P. High School, Gopalapatnam, Visakhapatnam - 27

2. The Assistant Engineer, Operation, APEPDCL, Near Cambridge School, S. Kota, Vizianagaram District - 535 145
3. The Assistant Accounts Officer, ERO, Rural, Vizianagaram, APEPDCL, Near Vidyut Bhavan, Dasannapeta, Vizianagaram District - 535 002
4. The Assistant Divisional Engineer, Operation, APEPDCL, Near Cambridge School, S.Kota, Vizianagaram - 535 145
5. The Divisional Engineer, Operation, APEPDCL, 1st Floor, Vidyut Bhavan, Dasannapeta, Vizianagaram District - 535 002

Copy to:

6. The Chairman, C.G.R.F., APEPDCL, P & T Colony, Seethammadhara, Near Gurudwara Junction, Visakhapatnam - 530 013
7. The Secretary, APERC, 11-4-660, 4th Floor, Singareni Bhavan, Red Hills, Hyderabad - 500 004