A consumer is the important visitor on our premises. He is not dependent on us. We are dependent on him. -Mahatma Gandhi



TAMIL NADU ELECTRICITY OMBUDSMAN

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Before The Tamil Nadu Electricity Ombudsman, Chennai <u>Present :Thiru. N.Kannan, Electricity Ombudsman</u>

A.P.No. 64 of 2024

M/s. Rangamma Steels and Malleables, No.603-'C' Block, Pioneer Complex, 1075, Avinashi Road, Coimbatore – 641 018.

(Thiru K. Ilango, Partner)

Vs.

1. The Assistant Engineer/O&M/ Ganeshapuram, Coimbatore Electricity Distribution Circle/ North, TANGEDCO, Sathy Main Road, Coimbatore-641107

2. The Executive Engineer/O&M/K. Vadamadurai, Coimbatore Electricity Distribution Circle/North, TANGEDCO, K.Vadamadurai Post, Coimbatore-641017.

 The Assistant Executive Engineer/O&M/Kovilpalayam, Coimbatore Electricity Distribution Circle/ North, TANGEDCO,
 180G, Sathy Main Road, Kovilpalayam, Coimbatore-641107.

> Respondents (Tmty. L. Pavithra, AE/ O&M/ Ganeshapuram Thiru E.Shanmugasundaram, EE/ O&M/K. Vadamadurai Thiru S.Sundaram, AEE/ O&M/Kovilpalayam)

Petition Received on: 02-09-2024

Date of hearing: 16-10-2024

Hearing postponed on: 23-10-2024

Date of order: 29-10-2024

The Appeal Petition received on 02.09.2024, filed by M/s. Rangamma Steels and Malleables, No.603-'C' Block, Pioneer Complex, 1075, Avinashi Road, Coimbatore – 641 018 was registered as Appeal Petition No. 64 of 2024. The above appeal petition was scheduled to hear on 16.10.2024. But it was postponed and rescheduled on 23.10.2024. Upon perusing the Appeal Petition, Counter affidavit, written argument, and the oral submission made on the hearing date from both the parties, the Electricity Ombudsman passes the following order.

<u>ORDER</u>

1. <u>Prayer of the Appellant:</u>

The Appellant has prayed to set aside the wrong current consumption charges levied for the period 01.12.2023 to 30.01.2024.

2.0 Brief History of the case:

2.1 The Appellant has stated that M/s. Rangamma Steels and Malleables, having LT SC No. 03-125-004-472 in which incorrect meter reading was recorded in CC bill for the month of December 2023 to January 2024.

2.2 The Respondent has stated that MRT report confirmed that the meter recording is normal. Based on the MRT report the refund claimed by the consumer is not feasible.

2.3 Hence the Appellant has filed a petition with the CGRF of Coimbatore EDC/North on 02.05.2024 requesting to refund the excess amount already paid.

2.4 The CGRF of Coimbatore EDC/North has issued an order dated 31.07.2024. Aggrieved over the order, the Appellant has preferred this appeal petition before the Electricity Ombudsman.

3.0 Orders of the CGRF :

3.1 The CGRF of Coimbatore Electricity Distribution Circle/North issued its order on 31.07.2024. The relevant portion of the order is extracted below: -

"<u>மன்றத்தின் உத்தரவு</u>

மனுதாரர் மற்றும் எதிர்மனுதாரர்களால் மன்றக் கூட்டத்தில் எடுத்துரைக்கப்பட்ட விவாதங்களின் அடிப்படையிலும் மன்ற தலைவர் மற்றும் உறுப்பினர் அவர்களின் கருத்துக்களின் அடிப்படையிலும் கீழ்க்கண்டவாறு உத்தரவு வழங்கப்படுகிறது.

Its concluded that as the meter provided in the LTSC. No. 03-125-004-472.during the period in question is found to be healthy. The unit recorded is in order. Hence the consumer is bound to pay the applicable charges for the units recorded in the meter. The bill may be revised based on MRT report if necessary....

The consumer grievance must be resolved by the Respondent at the initial stage of complaint and proper analysis of petition should be carried out before addressing to the petitioner. The assessment staff shall be strictly warned to record the consumption in consumer white meter card and consumer ledger correctly and avoid such occurrence in future."

4.0 <u>Hearing held by the Electricity Ombudsman:</u>

4.1 To enable the Appellant and the Respondent to put forth their arguments, a hearing was scheduled on 16.10.2024. But it was postponed and conducted on 23.10.2024 through video conferencing.

4.2 The Appellant Thiru K. Ilango, Partner of M/s. Rangamma Steels and Malleables attended the hearing and put forth his arguments.

4.3 The Respondents Tmty. L. Pavithra, AE/ O&M/ Ganeshapuram, Thiru E.Shanmugasundaram, EE/ O&M/K. Vadamadurai and Thiru S.Sundaram, AEE/ O&M/Kovilpalayam of Coimbatore Electricity Distribution Circle/North attended the hearing and put forth their arguments.

4.4 As the Electricity Ombudsman is the appellate authority, only the prayers which were submitted before the CGRF are considered for issuing orders. Further, the prayer which requires relief under the Regulations for CGRF and Electricity Ombudsman, 2004 alone is discussed hereunder.

5.0 <u>Arguments of the Appellant</u>:

5.1 The Appellant has stated that M/s. Rangamma Steels and Malleables, Opp. to RSM Autokast Pvt. Ltd., Karamadai Road, Kuppepalayam, SS Kulam (via) Coimbatore is have LT SC No. 03-125-004-472. He stated that incorrect meter reading was recorded in CC bill for the month of December 2023 to January 2024.

5.2 The Appellant has stated that usual bimonthly consumption is less than 200 units for December 2023/ January 20204 recorded units was 12506. MD recorded is 3.35 units. Even if Maximum demand was used continuously units consumed can be $3.35 \times 24 \times 61 = 4904.4$ units, even if this was consumed at the same level on all 61 days for 24 hours (not taking into consideration the monthly power shut down or other shut downs). If the meter reading from maximum demand of 3.35 KW is correct then the recoded kwh is incorrect. If the recorded kwh is correct then the meter is faulty. Hence the Appellant states that the meter is clearly faulty as units recorded is impossible to use. Representation not considered scientifically.

5.3 The Appellant has stated that the recorded consumption was abnormal in spite of no addition to the machinery. Hence the Appellant claims that the meter to be faulty and the amount billed for the month of December 2023 to January 2024 has to be revised to average of 1 year bill and excess amount paid by the consumer to be refunded.

5.4 The Appellant has stated that the CGRF has not addressed the main point that it is impossible for the consumption to be so high at the recorded maximum demand. Meter test report and readings not shared to him and informed about the test only at the time of hearing. Further he stated that the CGRF analysis states while reviewing of the meter back up details, its inferred that the recorded unit is cumulative unit (KWH) consumption from August 2023 to January 2024. This is contrary to the recording in the meter reading card.

5.5 The Appellant has prayed to set aside the wrong current consumption charges levied for the period 01.12.2023 to 31.01.2024.

6.0 Arguments of the Respondent:

6.1 The Respondent has stated that the industrial service connection 125-004-472 used by M/s. Rangammal Steels and Malleables, Karamadai road, kuppepalayam, Coimbatore for a load of 20KW, high consumption noticed during the 01/24 assessment as compared to the pervious assessment. Hence the service connection premises was inspected by the TNPDCL officials and found the capacitor bank was connected continuously to the mains and the same was intimated to the consumer which causes high KWH energy consumption and low power factor even though there is no industrial load connected to the service connection.

6.2 The Respondent has stated that to ascertain the actual meter recorded, data is downloaded and sent to MRT/CEDC/North/CBE. The MRT report confirmed that the meter recording is normal. Hence the consumer addressed to pay Rs.1,95,961/- for the CC charges and consumer has paid the charges under protest.

6.3 The Respondent has stated that however as per the consumer request letter dt. 21.03.2024, the meter was replaced with new meter and the released meter tested by MRT Lab and the results found satisfactory (As per annexure II). During the Bi-monthly billing cycle of December 2023 & January 2024 the consumption recorded in the LT billing was 12506 units, which is abnormal as per petitioner appeal and same was analyzed by comparing the readings entered by the assessor (Enclosed annexure I) with MRT download reading (Enclosed annexure II) as tabulated below:

Date	KWH assessor 1	Assessed units	KWH based on MRT 2	Assessed units	Difference (2-1)	Remarks
30.01.2024	13406	12506	13406	4490	0	Normal
30.11.2023	900	349	5942	5391	3058	Wrong entry
30.09.2023	551	0	3525	2974	2974	Door Lock
30.07.2023	551		551		0	Normal
Total		12855		12855		

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6.4 From the above comparison it was found during the 09/2023 assessment, due to door lock, the previous month KWH has been taken by the system as a default and during the 11/2023 assessment, the assessor due to oversight wrongly entered the reading as 900 (349units) instead of 8900 as against the MRT download readings of 8916 (8365 units for the two assessment period). From the above analysis, it is observed that the capacitor bank connected to the mains continuously may become faulty after 30.07.2023 and KWH consumption found recorded higher after that.

6.5 The Respondent has stated that the petitioner appeal for 12506 units for the December 23 & January 2024 assessment was due to manual error by the assessor while taking reading during 11/2023 assessment. From the MRT downloaded data it is observed that the consumption pattern is uniform for the 09/2023(2974 units), 11/2023 (5391 Units) & 01/2024 (4490 units) assessments as per Annexure IV, which was found justified as per the maximum demand recorded. So the petitioner interpretation of 12506 units consumption for two months (one assessment cycle) is actually six months (Three assessment cycle), which is evident from the above said comparison, and the same was conveyed to the petitioner in CGRF held on 29.06.2024.

6.6 The Respondent has stated that hence it is observed that the faulty capacitor which act as an active load, leads to this higher consumption and after removal of capacitor, consumption pattern was found normal. The abnormal consumption observed by the petitioner is mainly due to wrong assessment reading only but the meter is found normal, as per MRT test result and hence the refund claimed by the consumer is not feasible of compliance.

7.0 Findings of the Electricity Ombudsman:

7.1 I have heard the arguments of both the Appellant and the Respondent. Based on the arguments and documents submitted by them, the following are the issues to be decided;

1. What is the status of the meter in the Appellant's service connection during the disputed period?

2. Whether the claim of the Appellant to compute average for the faulty meter period and refund the excessively billed amount is feasible?

8.0 Findings on the first issue:-

8.1 The Appellant contends that the meter associated with LT SC No. 03-125-004-472 at M/s. Rangamma Steels and Malleables recorded incorrect readings in the CC bill for the period from December 2023 to January 2024. The recorded consumption of 12,506 units is abnormally high compared to the usual bimonthly consumption of less than 200 units, and the maximum demand recorded as 3.35 KW makes it mathematically impossible to consume such a large amount of energy. The Appellant argues that either the kWh or the maximum demand reading is incorrect, leading to the conclusion that the meter is faulty.

8.2 The Respondent counters the Appellant's argument by stating that the industrial service connection, SC No. 125-004-472, used by M/s. Rangammal Steels and Malleables, experienced high consumption during the January 2024 assessment, compared to previous months. Upon inspection, TNPDCL officials found that the continuous connection of the capacitor bank to the mains caused high energy consumption (KWH) and a low power factor.

8.3 In order to verify the meter's performance as disputed by the Appellant, the data was downloaded and analyzed by MRT/CEDC/North/CBE. The MRT report confirmed that the meter was functioning normally, and the consumer was asked to pay Rs.1,95,961/- for the CC charges, which they did under protest. Following the consumer's request on 21.03.2024, the meter was replaced, and the released meter was retested by the MRT Lab, which confirmed satisfactory results.

8.4 In this context, I am of the view that the Meter Relay Testing (MRT) report is valid evidence according to the Section 35 of the Evidence Act 1872 which is discussed below:

"35. Relevancy of entry in public record or an electronic record made in performance of duty. An entry in any public or other official book, register or record or an electronic record stating a fact in issue or relevant fact and made by a public servant in the discharge of his official duty or by any other person in performance of a duty specially enjoined by law of the country in which such book, register or record or an electronic record is kept is a relevant fact."

8.5 Based on the aforementioned details, it is apparent that an entry in any public or other official book, register, or record is admissible as evidence under the law of the country. Additionally, the MRT wing of the Licensee is authorized to determine the status of the meter after conducting a scientific test. In this case, the MRT tested the meter and provided a report stating that the downloaded data was analyzed, and the energy (KWH and KVAH) as well as the maximum demand recordings were found to be normal. The meter was further tested at the MRT Lab, where the results were satisfactory. Based on this, the bill may be revised according to the final reading provided by the MRT, ensuring accurate billing for the disputed period.

8.6 In conclusion, based on the MRT report and the analysis of the downloaded meter data, it is confirmed that the meter was functioning properly, with accurate recordings of energy consumption (KWH and KVAH) and maximum demand during the disputed period. The meter was tested and found to be in healthy condition. Therefore, the claim that the meter was faulty is not substantiated.

9.0 Findings on the second issue:-

9.1 The Appellant claims that despite bringing this issue to the attention of the authorities, no scientific review of the problem was conducted, and the meter test report and readings were not shared. The Appellant requests that the bill for the disputed period be revised to reflect the average consumption of the past year, with the excess amount refunded. Furthermore, the Appellant asserts that the CGRF failed to address the main issue regarding the impossibility of such high consumption at the recorded maximum demand.

9.2 The Respondent explained that during the bi-monthly billing cycle of December 2023 and January 2024, an abnormal consumption of 12,506 units was

recorded. Upon comparing the assessor's readings with the MRT downloaded report, it was found that during the 09/2023 assessment, a default KWH reading was entered due to a door lock. In the 11/2023 assessment, the assessor mistakenly recorded 900 units instead of 8,900. This error, along with a previous door lock reading during the September 2023 assessment, led to cumulative higher consumption over three billing cycles. The MRT downloaded report shows consistent consumption for September 2023 (2,974 units), November 2023 (5,391 units), and January 2024 (4,490 units), indicating that the 12,506 units reflected six months of consumption, not just two. The details are give below.

Date	KWH assessor 1	Assessed units	KWH based on MRT 2	Assessed units	Difference (2-1)	Remarks
30.01.2024	13406	12506	13406	4490	0	Normal
30.11.2023	900	349	5942	5391	3058	Wrong entry
30.09.2023	551	0	3525	2974	2974	Door Lock
30.07.2023	551		551		0	Normal
Total		12855		12855		

9.3 Additionally, the faulty capacitor bank, which acted as an active load, contributed to the higher consumption. After removing the capacitor, the consumption returned to normal levels. Therefore, the Respondent concludes that the meter was functioning correctly, and the abnormal consumption was due to a combination of manual reading errors and the faulty capacitor.

9.4 From the foregoing arguments, it is observed that the abnormal consumption recorded in the December 2023 and January 2024 billing cycle was primarily due to manual error entry by the assessor. The MRT test report confirmed that the meter was functioning properly during the disputed period, and the energy recording was accurate as per the downloaded data analysis. Therefore, the claim that the meter was faulty is not substantiated. Hence the Appellant's claim to compute average for the faulty meter does not arise. Though the Respondent accepted that there was

manual error by the assessment staff but failed to take suitable action against the erring staff.

9.5 Further, the Regulation 11 of the TNERC Supply Code clearly outlines the expectations and requirements for billing revisions during defective meter periods, in the event of a defective meter. However, based on the findings in para 8, it is evident that the meter was functioning properly during the disputed period. Therefore, the option of average billing, as claimed by the Appellant, does not apply in this case. The meter's readings are valid, and no adjustment for average consumption is required. Therefore, the Appellant's request for a refund due to an alleged faulty meter is not tenable since the meter was proven to be healthy during the disputed period.

9.6 In addition, I would like to refer the existing regulations regarding the recovery of charges from a consumer. The regulations under Section 4(1) of the Tamil Nadu Electricity Supply Code clearly outline the charges recoverable by the licensee from the consumers which is reproduced below.

"4. Charges recoverable by the Licensee – The charges, recoverable by the Licensee from the consumers are :-

(1) Tariff related charges, namely,-

(i) The price of electricity supplied by him to the consumer which shall be in accordance with the tariff rates as the Commission may fix from time to time, for HT supply, LT supply, temporary supply and for different categories of consumers. **** (ii) Demand Charges for HT and fixed charges for LT Supply shall be payable by the consumer in accordance with the rates as the commission may fix from time to time for different categories of consumers."

9.7 From the above, it is asserted that consumers are liable to pay tariff-related charges, including the price of electricity supplied, demand charges for HT, and fixed charges for LT, in accordance with the tariff rates set by TNERC for different categories of consumers, along with any applicable miscellaneous and minimum charges. Based on the CMRI downloaded data, it is evident that the Appellant has consumed the energy for which he has been correctly billed, as per the TNERC Supply Code.

9.8 During the hearing, the Appellant argued that he should only be billed for the appropriate month's consumption and should not be charged for previous months'

left-out assessments. To verify whether his claim is valid, I would like to refer to Regulation 12 of the TNERC Supply Code, which is relevant to this case. This regulation outlines the procedure for handling billing errors or omissions, including how to address situations where prior assessments have been left out. The same is discussed below:

"12. Errors in billing

(1) In the event of any clerical errors or mistakes in the amount levied, demanded or charged by the Licensee, the Licensee will have the right to demand an additional amount in case of undercharging and the consumer will have the right to get refund of the excess amount in the case of overcharging.

(2) Where it is found that the consumer has been over-charged, the excess amount paid by such consumer shall be refunded along with interest at the rate applicable for security deposit. The interest shall be computed from the date on which the excess amount was paid. Such excess amount with interest may be paid by cheque in the month subsequent to the detection of excess recovery or may be adjusted in the future current consumption bills upto two assessments at the option of the consumer. The sum which remains to be recovered after two assessments may be paid by cheque. Interest shall be upto the date of last payment.
(3) Wherever the Licensees receive complaints from consumers that there is error in billing, etc. the Licensee shall resolve such disputes regarding quantum of commercial transaction involved within the due date for payment, provided the complaint is lodged three days prior to the due date for payment. Such of those complaints received during the last three days period shall be resolved before the next billing along with refunds / adjustments if any. However, the consumer shall not, on the plea of incorrectness of the charges, withhold any portion of the charges."

9.9 It is clear from the above paragraphs that, in the event of any clerical errors or mistakes in the amount levied, demanded, or charged by the Licensee, the Licensee is entitled to demand an additional payment in cases of undercharging, and the consumer is entitled to a refund in cases of overcharging. In this instance, the assessor mistakenly recorded the consumption during the previous assessments, and the error was corrected in the subsequent assessment. The abnormal recording, as claimed by the Appellant, is not the consumption for a single billing cycle but rather the accumulated energy from the previous assessments. Therefore, as per the TNERC Supply Code, the Respondent is entitled to collect the amount for the corrected assessment.

10.0 Conclusion:

10.1 In view of the above finding, the Appellant's request for a refund due to an alleged faulty meter is not tenable since the meter was proven to be healthy during the disputed period.

10.2 With the above findings the A.P. No. 64 of 2024 is finally disposed of by the Electricity Ombudsman. No Costs.

(N. Kannan) Electricity Ombudsman "நுகா்வோா் இல்லையேல், நிறுவனம் இல்லை" "No Consumer, No Utility" То 1. M/s. Rangamma Steels and Malleables, - By RPAD No.603-'C' Block, Pioneer Complex, 1075, Avinashi Road, Coimbatore - 641 018. 2. The Assistant Engineer/O&M/ Ganeshapuram, Coimbatore Electricity Distribution Circle/ North, TANGEDCO, Sathy Main Road, Coimbatore-641107 3. The Executive Engineer/O&M/K. Vadamadurai, Coimbatore Electricity Distribution Circle/North, TANGEDCO. K.Vadamadurai Post, Coimbatore-641017. 4. The Assistant Executive Engineer/O&M/Kovilpalayam, Coimbatore Electricity Distribution Circle/ North, TANGEDCO. 1, 180G, Sathy Main Road, Kovilpalayam, Coimbatore-641107. 5. The Superintending Engineer, - By email Coimbatore Electricity Distribution Circle/North, TANGEDCO, Tatabad, Coimbatore - 641 012. 4. The Chairman & Managing Director, - By Email TANGEDCO, NPKRR Maaligai, 144, Anna Salai, Chennai -600 002. 5. The Secretary, Tamil Nadu Electricity Regulatory Commission, – By Email 4th Floor, SIDCO Corporate Office Building, Thiru-vi-ka Industrial Estate, Guindy, Chennai – 600 032. 6. The Assistant Director (Computer) - For Hosting in the TNERC Website Tamil Nadu Electricity Regulatory Commission, 4th Floor, SIDCO Corporate Office Building, Thiru-vi-ka Industrial Estate, Guindy, Chennai – 600 032.