**COURT OF THE LOKPAL (OMBUDSMAN),**

**ELECTRICITY, PUNJAB,**

**PLOT NO. A-2, INDUSTRIAL AREA, PHASE-1,**

**S.A.S. NAGAR (MOHALI)**

**Appeal No. 84/2017**

**Date of Registration : 14.11.2017**

**Date of Hearing : 05.04.2018**

**Date of Order : 11.04.2018**

**Before:**

**Er. Virinder Singh, LokPal (Ombudsman) Electricity**

**In the matter of:**

Ganga Rice Mills,

Khadial Road,

Mehlan, District Sangrur.

...Petitioner

Versus

Additional Superintending Engineer,

DS Division,

PSPCL, Dirba,

District Sangrur.

...Respondent

**Present For:**

Petitioner: Sh. R.S. Dhiman,

Petitioner's Representative (PR)

Respondent : Er. Balram Singh,

Addl. Superintending Engineer.

Before me for consideration is an Appeal preferred by the Petitioner against the order dated 18.10.2017 in Case No. CG-177 of 2017 of the Consumers Grievances Redressal Forum (Forum) deciding that:

*“The Bill issued to the Petitioner for the period from 31.3.2017 to 30.04.2017 be issued for 714 KVAh units instead of 6652 KVAh, Bill for the period from 30.04.2017 to 31.5.2017 be issued for 778 KVAh units instead of 7394 KVAh units as worked out above. However, it should be ensured that monthly minimum charges, as per instructions of Corporation, be recovered from the petitioner during these months, if the actual consumption charges is below the monthly minimum charges”.*

**2. Facts of the Case:**

**The relevant facts of the case are that:**

1. The Petitioner is having a Large Supply Category Connection with the Sanctioned Load of 134.858kW and Contract Demand of 150kVA for running a Rice Sheller.
2. The Petitioner’s Energy Meter was replaced with ToD Energy Meter in 10/2016.
3. The Petitioner received highly inflated bills due to high kVAh consumption from 31.03.2017 to 30.04.2017 and 30.04.2017 to 31.05.2017 as per following details:

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| Billing Month | Period | | Consumption | | Power Factor | Amount in INR |
| From | To | kVAh | kWh |
| 04/2017 | 31.03.2017 | 30.04.2017 | 6652 | 650 | 0.10 | 43750/- |
| 05/2017 | 30.04.2017 | 31.05.2017 | 7394 | 708 | 0.10 | 50160/- |

1. The above scenario was a result of reading as per kVARh consumption taken in to account while computing kVAh consumption by newly installed Energy Meter which was of the changed specifications.
2. The Petitioner did not agree with these bills and filed a Petition in the Forum which, after hearing, passed order dated 18.10.2017 (Reference: Page 2 Para 1).
3. Not satisfied with the decision of the Forum, the Petitioner preferred an Appeal in this Court and prayed that the condition of recovery of Monthly Minimum Charges, imposed by the Forum from 31.03.2017 to 31.05.2017, may be set-aside and added that MMC was recoverable only if applicable.

**3. Submissions made by the Petitioner and the Respondent:**

Before undertaking analysis of the case, it is necessary to go through the written submissions made by the Petitioner and reply of the Respondent as well as oral submissions made by the Representatives of the Petitioner and the Respondent alongwith material brought on record by both the sides.

1. **Submissions made by the Petitioner:**

The Petitioner submitted the following for consideration of this Court:

1. The Petitioner was having an electricity connection for its Rice Sheller bearing Account No LS-2 with Sanctioned Load of 134.858kW and Contract Demand of 150kVA.

**(ii)**  Energy Meter of the Petitioner was replaced with a ToD meter at the start of milling season in 10/2016. There was no problem during the milling period up to the end of March 2017.

**(iii)** But, during closure of the mill for off season, the Petitioner received bill showing abnormal consumption as compared to electricity actually used. This happened on account of very high kVAh consumption compared to kWh consumption. The kVAh consumption shown by the Energy Meter from 31.03.2017 to 30.04.2017 was 6652 against 650kWh, resulting in PF = 0.1. Similarly, the kVAh consumption from 30.4.17 to 31.5.17 was 7394 against 708kKWh during this period, thus resulting in PF =0.1. This resulted in undue burden on the Petitioner.

**(iv)** Rice Sheller was a seasonal industry which remained closed from about April to September every year, due to off season. There was no consumption of electricity during these months except lighting etc for watch and ward. Small kWh consumption of the Petitioner during the above mentioned period proved that there was, in fact, no production in the factory.

**(v)** The scenario of disproportionate consumption was a result of leading kVARh having been taken in to account while computing kVAh consumption by the newly installed meter. These new meters of changed specifications had been installed by the PSPCL without any prior information and advice to consumers for installing proper devices to control their Power Factor. No information in this regard was given to the Petitioner also. As a result, the Petitioner’s Power Factor was 0.10 Lagging from 31.03.17 to 30.04.2017, and again 0.10 Lagging from 30.04.2017 to 31.05.2017. In fact, injection of leading kVARh by the Petitioner should be welcomed by the Respondents as it helped in improving the overall Power Factor of the supplier’s system.

**(vi)** But, on the contrary, the Petitioner had been penalized by raising huge bills even during off season. This anomalous situation arose only after the installation of the present ToD Energy Meter. A look at the Petitioner’s consumption pattern of previous off-seasons would reveal that kVAh consumption was not so high during the years 2015 and 2016. The anomalous situation was only due to changed specifications of the present Energy Meter and consumers, running seasonal industries, were suffering.

**(vii)** On the complaint of the consumers, directions were issued to the PSPCL by Hon’ble PSERC vide Memo. No. 17 / PSERC / DTJ 75A dated 06.04.2017 to maintain status-quo regarding billing of consumers under kVAh tariff regime. Besides, a copy of CE / Metering to Chief Engineer / Commercial, PSPCL, Patiala’s Memo No. 1711 dated 11.4.17 on the same subject was also placed on record of this Court.

1. Relying on this initiative of the Hon’ble PSERC the Petitioner approached the Forum which, vide its order dated 18.10.2017 corrected the kVAh consumption from 31.03.2017 to 31.05.2017 and thus, addressed the Petitioner’s main grievance. But, the Forum added a new dimension to the dispute by asking the Respondents to recover the MMC during the said period. In fact, the MMC was not chargeable to the Petitioner as it had already consumed much more power than required under the relevant Tariff. The Petitioner was, therefore, constrained to file the present Appeal for justice.
2. That the condition of recovery of Monthly Minimum Charges, imposed by the Forum from 31.03.2017 to 31.05.2017, may be set-aside. MMC was recoverable, only if, applicable.
3. **Submissions of the Respondent:**

The Respondent, in its defence, made the following submissions in reply to the Appeal:

1. In the month of 09/2016, the Energy Meter of the consumer was checked by the Addl. S.E/MMTS, PSPCL, Patiala vide checking No. 1/469 dated 05.09.2016 and it was reported that the Scroll of the Energy Meter was not working due to which, MCO No. 136/60401 dated 14.09.2016 had been issued and effected on 28.09.2016. In the months of 04/2017 and 05/2017, the billing of the consumer was done on kVAh basis as per Tariff applicable. There was considerable difference between kVAh and kWh consumption in these two months which was based on actual reading.
2. As per office memo. No. 546/50 dated 02.02.2017 of the Chief Engineer, Metering, PSPCL, Patiala, the consumer was also intimated about the working of this new HT Trivector Meters which calculated both active and reactive energy Lag + Lead and accordingly, the consumer should maintain the Power Factor by using capacitor bank according to running kVARh, but the billing was done on kVAh.
3. As per order dated 18.10.2017 of the Forum in Case No. CG-177 of 2017, the consumer should be billed on actual consumption basis or Monthly Minimum Charges basis. But, if minimum units (as per Tariff Order FY 2016-17) required by a Rice Sheller were completed before closure of seasonal period, then, billing of such consumer will be done on actual basis, when if the consumer had not consumed units more than those required for MMC.
4. In the present case, the Petitioner, had already consumed minimum units as per Tariff Order FY 2016-17. So, billing of the consumer will be done on actual kVAh consumption basis and no MMC will be charged.

**3. Analysis:**

The issue requiring adjudication is the legitimacy of the conditions of Monthly Minimum Charges imposed by the Forum for the period from 31.03.2017 to 31.05.2017 due to readings as per kVAh (Lag + Lead) taken into account (while computing kVAh consumption) by newly installed Energy Meter of the changed specifications (MQ-95).

*I find that the Respondent, in its written reply, submitted as under:*

***“*In the present case, the Petitioner, had already consumed minimum units as per Tariff Order 2016-17. So, billing of the consumer will be done on actual kVAh consumption basis and no MMC will be charged.”**

I have also noted that the Respondent reiterated the above position during the course of hearing and submitted that billing of the consumer had been done on actual kVAh consumption basis and no MMC had been charged. The Petitioner’s Representative, on being asked, admitted that the billing had been done correctly and the grievance stood resolved.

In view of the above submissions of the Representatives of the Petitioner and the Respondent, the matter was not pursued further.

1. **Decision:**

**As a sequel of above discussions, the Appeal becomes infructuous and is dismissed.**

(VIRINDER SINGH)

April 11, 2018 LokPal (Ombudsman)

S.A.S. Nagar (Mohali) Electricity, Punjab.