



**Before the Electricity Ombudsman**  
**9/2, 6<sup>th</sup> Floor, Mahalakshmi Chambers, M.G.Road,**  
**Bangalore**

**Present: B.R.Jayaramaraje Urs, IAS (Retd.)**

**Electricity Ombudsman**

**Case No.OMB/M/G-149/2013/237**

**Dated 12.07.2013**

Shri Balasubramanya Bhat J.  
 "Bolambi Mane",  
 Post: Ujire,  
 Taluk: Belthangadi,  
 Dist: Dakshina Kannada

**Complainant**

**Vs**

1. Assistant Executive Engineer (Ele),  
 O & M Sub Division,  
 MESCOM  
**Belthangadi**  
 Dakshina Kannada District

2. Consumer Grievance Redressal Forum, (CGRF)  
 MESCOM Corporate Office,  
 Paradigm Plaza, A.B.Shetty Circle  
**Mangalore**

**.. Respondents**

1. This is an appeal under Clause 21.02 of KERC (Consumer Grievance Redressal Forum & Ombudsman) Regulations, 2004 against the order passed by the Consumer Grievance Redressal Forum, MESCOM, Mangalore (hereinafter referred to as the 2<sup>nd</sup> Respondent) vide No.MESCOM/CGRF/From 15 to 19/12-13 dated 09.04.2013 in respect of Appellant's grievance relating to refusal of payment of interest on the

advance amount held by the Assistant Executive Engineer(EI), O & M Sub-Division, Belthangadi, (hereinafter referred to as the 1<sup>st</sup> Respondent) from the date of the Appellant filing application and also rejection of compensation claims of the Appellant against the 1<sup>st</sup> Respondent for failing to achieve the standards of performance under the KERC (Licensees' Standards of Performance) Regulations, 2004. The Appellant, aggrieved by the impugned order passed by the 2<sup>nd</sup> Respondent, has submitted his case as under:

2. The Appellant is a resident of Bolambi Village, Belthangadi Taluk and an Electricity Consumer of MESCOM. The Appellant applied for temporary supply of power for decortication of areca nut on 22.09.2011 and paid advance estimated power consumption charges of Rs.1900/- and Rs.50/- as Service Charges towards installation bearing R.R.No.UTPS 116. Temporary power supply was sanctioned on 23.09.2011 for a period of 20 days from 23.09.2011 to 12.10.2011. Since the work was not completed within 20 days, the Appellant again applied for temporary supply of power for the second time on 13.10.2011 for a period of 15 days from 13.10.2011 to 27.10.2011. The installation was assigned R.R. No.UTPS 140. The Appellant paid Rs.1425/- as advance estimated power consumption charges and Rs.50/- as Service Charges. Since the work got over early, the Appellant wrote to the Section Officer, Ujire to disconnect power supply effective from 20.10.2011. As per the request of the Appellant, the Section Officer arranged for disconnection of power supply on 20.10.2011. The Appellant, in his letter dated 20.10.2011 addressed to the Section Officer, requested for refund of advance power consumption charges. The Section Officer neither issued the energy bills nor refunded the advance amounts. The Appellant again sent a reminder to the Assistant Executive Engineer(EI), Belthangadi on 30.01.2012 seeking issue of energy bills and refund of advance estimated power consumption charges.

3. The Appellant again on 04.06.2012 applied for temporary supply of power. This was sanctioned on 05.06.2012 and the Appellant had paid Rs.618/- as advance estimated power consumption charges and Rs.50/- as Service Charges on 04.06.2012. Installation was assigned R.R.No.UTPS-75. After the work was over,

the Appellant applied for refund of advance of estimated power consumption charges and also for issue of electricity bills on 08.06.2012. The 1<sup>st</sup> Respondent did not respond to the Appellant's letter.

4. The Appellant again sought temporary supply of power on 19.06.2012 and paid Rs.206/- as advance estimated power consumption charges and Rs.50/- as Service Charges on the same day. Power was sanctioned and the installation was assigned R.R.No.UTPS 85 and the power was disconnected on 20.06.2012. The Appellant applied for refund of advance estimated power consumption charges and also for issue of energy bills with the 1<sup>st</sup> Respondent on 21.06.2012.

5. On 17.08.2012, the Appellant applied for temporary supply of power and this was sanctioned on 21.8.2012. Installation was assigned RR No.UTPS-113 and Rs.203 was paid as estimated power consumption charges and Rs.50/- as Service Charges. The Appellant filed refund application with the 1<sup>st</sup> Respondent on 24.08.2012.

6. The Appellant also wrote to the Executive Engineer (EI), Bantwala on 21.08.2012 regarding refund of advance amount and also for issue of energy bills in respect of installations bearing R.R.Nos. (a) UTPS-116 (b) UTPS-140 (c) UTPS-75 and (d) UTPS-85. However, the 1<sup>st</sup> Respondent did not issue energy bills of the said installations till 22.11.2012. Hence, the Appellant claimed interest on advance estimated power consumption charges held by the 1<sup>st</sup> Respondent in respect of the following installations.

<b>Installation RR Nos.</b>	<b>Date of filing application for refund</b>
UTPS 116 & 140	30.01.2012
UTPS 75	08.06.2012
UTPS 85	21.06.2012

7. The Appellant did not receive any reply till 07.09.2012. The 1<sup>st</sup> Respondent, in his letter dated 07.09.2012, informed the Appellant that the balance amount would be adjusted against permanent installation bearing R.R.No.BAEH-1495

standing in the name of the Appellant's mother if the Appellant's mother gave a letter of consent. This was suggested because the subject installations were standing in the name of the Appellant and also as they were not permanent installations. As per Clause 12.01(c) of Conditions of Supply of Electricity of Distribution Licensees in the State of Karnataka, the Licensee has to adjust the balance amount against the existing permanent installation. The Appellant's mother did not give consent to adjust the balance amount against the permanent installation standing in her name. This was conveyed to the Licensee on 08.09.2012. The Appellant met the Superintending Engineer (EI) and the Executive Engineer (EI) during the Consumer Interaction Meeting held at Belthangadi and apprised them of his grievance. Both the Superintending Engineer (EI) and the Executive Engineer (EI) instructed the Sub-Divisional Officer to refund the balance advance estimated power consumption charges immediately.

8. The Assistant Executive Engineer (EI), Belthangadi, on 22.11.2012, contacted the Appellant and advised him to submit the Refund Claim Bill. The Senior Assistant on 22.11.2012 furnished the energy bills relating to installations bearing RR Nos. (a) UTPS 116, (b) UTPS 140, (c) UTPS 75, (d) UTPS 85 and (e) UTPS 113 and obtained the signature of the Appellant on all the refund claim bills except installation bearing RR No.UTPS 113.

9. The Appellant on 05.01.2013 sent a reminder letter to the 1<sup>st</sup> Respondent for (a) refund of balance advance estimated power consumption charges (b) payment of interest for the amount held by the 1<sup>st</sup> Respondent (c) and also for payment of compensation @ Rs.50/- per day for failing to achieve the standards of performance under KERC (Licensees' Standards of Performance) Regulations, 2004. The Appellant did not get any response from the Licensee and, aggrieved by the non-response, the Appellant filed a complaint before the 2<sup>nd</sup> Respondent on 24.01.2013 seeking interest for the amount held by the 1<sup>st</sup> Respondent and compensation for providing shoddy service. In between, the Appellant received a cheque from the 1<sup>st</sup> Respondent for Rs.1534/- on 31.01.2013 relating to installations bearing RR Nos. (a) UTPS-75, (b) UTPS-85, (c) UTPS 140 and (d) UTPS 116.

10. The 1<sup>st</sup> Respondent, in his letter dated 31.01.2013 addressed to the Appellant, informed that he had sent proposals to the Executive Engineer (EI), Bantawal for approval of refund of balance advance estimated power consumption charges received in connection with temporary power supply with respect to installation bearing RR No.UTPS-113. After the approval, the 1<sup>st</sup> Respondent, on 01.02.2013, obtained the signature of the Appellant on valid refund claim voucher and paid Rs.35/- in cheque in respect of installation bearing R.R. No.UTPS-113 on 12.02.2013.

11. The Appellant claimed interest for the amount held by the 1<sup>st</sup> Respondent under 12.01(c) of Conditions of Supply of Electricity of Distribution Licensees in the State of Karnataka & compensation under KERC (Licensees' Standards of Performance) Regulations, 2004 for failing to achieve the standards of performance. Details are as follows:

<b>Installation R.R.Nos</b>	<b>Date of Appellant filing letter claiming Interest &amp; compensation.</b>
UTPS 116	30.01.2012
UTPS 140	30.01.2012
UTPS 75	08.06.2012
UTPS 85	21.06.2012
UTPS 113	24.09.2012

12. However, the 2<sup>nd</sup> Respondent, in its impugned order, has allowed the interest claims of the Appellant from the date the Appellant filed valid refund claim vouchers, but rejected the plea of the Appellant for payment of compensation under KERC (Licensees' Standards of Performance) Regulations, 2004. Hence, prays this Authority to set aside the impugned order and issue directions to the 1<sup>st</sup> Respondent to pay the interest and compensation from the date the Appellant filed the letter.

13. The Respondent's response was sought vide letter No.OMB/M/G-149/2013/193 dated 14.05.2013.

14. The 1<sup>st</sup> Respondent in his comments vide letter No. AP.A.FA(«)G/191/2013-14 dated 22.05.2013 submitted that the Appellant had taken temporary supply of power through installations bearing R.R.Nos (a) UTPS-116, (b) UTPS-140, (c) UTPS-113, (d) UTPS-85 and (e) UTPS-75 for a period ranging from 3-4 days and MESCOM had to refund advance estimated power consumption charges of (a) Rs.396/-, (b) Rs.818/-, (c) Rs.35/-, (d) Rs.38/- and (e) Rs.282/-(total Rs.1569/-) respectively after adjusting towards the energy bills. The MESCOM had written to the Appellant that it would adjust the balance amount against the energy bills of permanent installation, but the Appellant had not agreed to this proposal and insisted on refund of the amount through cheques. The Appellant submitted his refund claim vouchers on 22.11.2012 in respect of installations bearing RR Nos (a) UTPS 75 (b) UTPS 85 (c) UTPS 140 and (d) UTPS 116 for Rs.396/-, Rs.818/-, Rs.35/- Rs.38/- and Rs.282/- respectively totalling Rs.1569/-. Under the Regulations, 60 days time is provided for processing such proposals and amount was due on 22.01.2013 and MESCOM refunded Rs.1534/- on 30.01.2013 and the balance amount of Rs.35/- on 12.02.2013 and, hence, there had been a delay of 8 days on payment of Rs.1534/- and 21 days on payment of Rs.35/-. Further, the Appellant filed a complaint before the 2<sup>nd</sup> Respondent for payment of interest from the date of filing application and compensation for failure to achieve the standards of performance. The 2<sup>nd</sup> Respondent accepted the claims of the Appellant in part and allowed for payment of interest from the date the Appellant filed his refund claim vouchers. As regards compensation claims of the Appellant, the 2<sup>nd</sup> Respondent had justifiably rejected and, hence requested this Authority to confirm the impugned order passed by the 2<sup>nd</sup> Respondent and to dismiss the appeal.

15. The case was taken up for hearing on 08.07.2013. The Appellant put forth his appearance and submitted arguments. On behalf of 1<sup>st</sup> Respondent, the Assistant Executive Engineer (EI) Belthangadi appeared and submitted his arguments. Arguments from both sides got over on the same day.

16. Both parties during the hearing reiterated the submissions made in the appeal memo and statement of objections respectively.

17. Both parties were informed vide letter No.OMB/M/G-149/2013/208 dated 14.06.2013 regarding availability of Sub-Regulation 1 of Regulation 20 of KERC (Consumer Grievance Redressal Forum and Ombudsman) Regulations, 2004 which provides for settlement by agreement through conciliation and mediation. However, both parties have not availed this opportunity. Hence, I am proceeding to pass an order in this matter.

18. Having regard to the contending positions of the parties, the issues that emerge for our consideration are:

**a) Whether the 2<sup>nd</sup> Respondent's impugned order allowing interest from the date of the appellant filing refund claim vouchers is in conformity with Conditions of Supply of Electricity of Distribution Licensees in the State of Karnataka Regulations?**

**b) Whether the 1<sup>st</sup> Respondent has failed to achieve the standards of performance warranting award of compensation and, if so, whether the 2<sup>nd</sup> Respondent's orders disallowing compensation claims of the Appellant purely on technical ground has any justification?**

19. In order to answer question No.1, we will have to refer to Clause 12.01(c) of Conditions of Supply of Electricity of Distribution Licensees in the State of Karnataka. This Clause says that **"If the amount due to the consumer is not refunded within two months of receipt of valid refund bill, the Licensee shall pay interest @ 1% per month on actual number of days of delay on the amount due for refund."** The 2<sup>nd</sup> Respondent, in the impugned order, has directed the 1<sup>st</sup> Respondent to pay interest from the date the Appellant filed refund claim vouchers: (a) Interest for 8 days on Rs.1534/- and (b) Interest for 21 days on Rs.35/-. This order is found to be in conformity with Clause 12.01(c) of Conditions of Supply of Electricity of Distribution Licensees in the State of Karnataka and, hence, this Authority does not see any merit in the arguments of the Appellant and,

hence, the contention of the Appellant that MESCOM ought to have paid interest from the date of his filing applications is rejected.

20. The second question relates to payment of compensation under KERC (Licensees' Standards of Performance) Regulations, 2004 for failing to achieve the standards of performance.

<b>Installation R.R. Nos.</b>	<b>No. of days' delay</b>
UTPS-116	8 days
UTPS-140	8 days
UTPS-75	8 days
UTPS-85	8 days
UTPS-113	21 days

21. As per KERC (Licensees' Standards of Performance) Regulations, 2004, the Licensee has to refund the advance estimated power consumption charges within 60 days from the date the appellant filed Refund Claim Vouchers. In the present case, the 2<sup>nd</sup> Respondent has held that there is a delay in refund of advance amount by 8 days in four cases and 21 days in one case. Further Clause 12.01(c) stated that ***"Applicant/consumer shall deposit advance estimated power consumption charges for the energy calculated at 12 units per kW per day for the duration of temporary power supply. This shall be adjusted towards periodical bills at the prevailing tariff rates based on the actual consumption and any balance amount at the credit of the consumer after the disconnection of temporary supply shall be refunded to him on application within Two months by a cheque or the same shall be adjusted to the existing permanent R.R.No. in the name of the same consumer as requested by him in his application. If the amount due to the consumer is not refunded within two months of receipt of valid refund bill, the Licensee shall pay interest at 1% per month on actual number of days on the amount due for refund."***



22. The 2<sup>nd</sup> Respondent, while accepting the interest claim of the Appellant, has rejected the compensation claim. Reasons assigned for rejection of compensation claim is non-submission of claim in Form-A.

23. From the documents, it is seen that the 1<sup>st</sup> Respondent has not issued energy bills till 22.11.2012 in spite of repeated requests by the Appellant. The Appellant could apply for refund of advance amounts only after receipt of power consumption details from the Licensee. The 2<sup>nd</sup> Respondent has accepted 8 days delay in refunding the advances in respect of 4 installations and 21 days in respect of one installation and has allowed interest on such amounts.

24. Acceptance of interest claims by the 2<sup>nd</sup> Respondent establishes failure on the part of the 1<sup>st</sup> Respondent to achieve the standards of performance by 8 days in case of four installations and 21 days in case of one installation.

24. It is seen from the records that the Appellant has addressed several letters to the 1<sup>st</sup> Respondent for issue of electricity bills. However, the 1<sup>st</sup> Respondent is found to have not issued bills till 22.11.2012. In spite of non-response, the Appellant has made known his compensation claims to the 1<sup>st</sup> Respondent in his letters dated 21.08.2012, 05.01.2013 and 24.01.2013.

25. The Appellant's letters signify claim for compensation and, based on the letters, the 2<sup>nd</sup> Respondent ought to have awarded compensation. But the 2<sup>nd</sup> Respondent has rejected the claims of the Appellant for compensation even though it has accepted the delay in refund of advance amounts and allowed interest on such amounts. When claims are there, the 2<sup>nd</sup> Respondent cannot say that it should be in the prescribed form. It amounts to denial of justice and, hence, such order deserves to be set aside. In the light of the above, the following order is issued.

## ***ORDER***

26. For the foregoing reasons, the 1<sup>st</sup> Respondent is held liable to pay compensation under KERC (Licensees' Standards of Performance) Regulations, 2004 for failing to achieve the standards of performance by 8 days in respect of installations bearing RR Nos. (a) UTPS-116 (b) UTPS-140 (c) UTPS-75 (d) UTPS-85 and 21 days in respect of installation bearing RR No.UTPS-113. The 1<sup>st</sup> Respondent is directed to **pay a total amount of Rs.2650/-** at Rs.50/- for each day of delay i.e 8 days in respect of four installations and 21 days in respect of one installation in favour of the Appellant.

27. Interest claims of the Appellant from the date of filing application is **rejected**.

In the result, the **appeal partly succeeds**.



(B.R.Jayaramaraje Urs)  
Electricity Ombudsman

1. Sri Balasubramanya Bhat J., "Bolambi Mane", Ujjire Post, Belthangadi Tq., D.K.District.
2. Assistant Executive Engineer, O & M Sub-Division, BESCO, Belthangadi, D.K.District.
3. Consumer Grievance Redressal Forum, MESCOM Corporate Office, Paradigm Plaza, A.B.Shetty Circle, Mangalore.
4. Managing Directors of all ESCOMs.
5. PS to Hon. Chairman, KERC
6. PS to Hon. Member (H), KERC
7. PS to Hon. Member (S), KERC
8. PS to Secretary, KERC