



**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/G/G-126/2011/140**

**DATED 31.12.2012**

Smt.Mateen Zohra Siddique,  
M/s.Decent Dal Industries  
Kapnoor Industrial Area,  
GULBARGA

***Represented by Sri S.S.Ilyas M.Sarmast,  
Authorised Representative)***

**.. Appellant**

**Vs**

1. Asst.Executive Engineer,  
O & M City Sub-Division-1,  
GESCOM,  
GULBARGA.

2. Consumer Grievances Redressal Forum (C.G.R.F)  
GESCOM Corporate Office,  
Opp Hotel Parivar, Main Road,  
**GULBARGA**

**.. Respondents**

1. This is an appeal under Regulation 21.02 of KERC (Consumer Grievances Redressal Forum) Regulations, 2004 against the order passed by the Consumer Grievances Redressal Forum, Gulbarga (hereinafter referred to as the 2<sup>nd</sup> Respondent) vide case Nos.01/2011 dated 25.11.2011 in respect of the Appellant's grievance relating to delay in sanction of additional load by the Assistant Executive Engineer(EI), City Sub-Division-1, GESCOM, Gulbarga (hereinafter referred to as the

1<sup>st</sup> Respondent) and the refusal of the 2<sup>nd</sup> Respondent to issue any directions to the 1<sup>st</sup> Respondent to pay compensation to the Appellant for failing to achieve the standards of performance under KERC (Licensees' Standards of Performance) Regulations, 2004. Aggrieved by the 2<sup>nd</sup> Respondent's impugned order, the Appellant has submitted his case as under:

2. The Appellant is a registered Electricity Consumer Of GESCOM bearing R.R No KPRP-701. The installation was serviced with a sanctioned load of 39 HP+480 watts on 28.07.2008 under L.T.5 Tariff Category. The Appellant is engaged in Dal Production and has an Industrial Unit at KIADB, 1st Phase, Kapnur, Gulbarga City. The Appellant applied for additional load of 27 HP on 11.01.2011 at the local office. However, the additional load was not sanctioned for 18 months and, finally, when additional load was sanctioned on 20.09.2011, the 1<sup>st</sup> Respondent informed the Appellant that the servicing of additional load involved installation of 1/100 K.V.A Distribution Transformer with short span of 11 KVA lines and work had to be executed departmentally and there had been delay in servicing additional load on account of non-availability of certain materials in the 1<sup>st</sup> Respondent's stores. However, the reasons assigned by the 1<sup>st</sup> Respondent for delay in servicing additional load cannot be accepted as servicing of additional load did not require installation of additional transformer and delay had been caused because one of the existing transformer had failed and, on account of this, the 1<sup>st</sup> Respondent could not service the additional load till the failed transformer was replaced and the 1<sup>st</sup> Respondent has not created any infrastructure nor drawn any new lines to service the additional load. Further, the 1<sup>st</sup> Respondent felt that additional power could be sanctioned and serviced from its existing service main and, hence, it did not advise the consumer neither to pay any additional charges nor to take up additional work under self-execution scheme. Additional power was sanctioned on the basis of Feasibility Report furnished by the Assistant Executive Engineer (EI). The Feasibility Report states that the additional power could be sanctioned from the existing 100 KVA transformer and, based on this report, the Executive Engineer(EI) sanctioned additional load on 04.03.2011 and the power sanction letter has not required the

Appellant to undertake any work under the self execution scheme. Thus, the Appellant has fulfilled all the conditions laid down in the additional power sanction letter. In spite of fulfilling all the conditions, the 1<sup>st</sup> Respondent has taken very long time to sanction and service the additional load and, hence, Appellant is entitled to get compensation for suffering undue delay in getting additional load under KERC (Licensees' Standards of Performance) Regulations, 2004 and, hence, prayed this Authority to set aside the impugned order and direct the 1<sup>st</sup> Respondent to pay compensation.

3. The 1<sup>st</sup> Respondent's comments were called vide letter No OMB/G/G-126/2012/93 dated 09.01.2012 and the 1<sup>st</sup> Respondent has furnished his comments vide letter No AEE/CSD-1/AE(T)/GIb)2011-12/4447 dated 03.11.2012.

4. In his comments, the 1<sup>st</sup> Respondent submitted that the Appellant had been sanctioned 39HP + 480W under industrial tariff initially and, subsequently, the Appellant applied for additional load of 27 HP on RR No.KPRP 701 on 11.01.2011. The industrial unit under reference is situated in K.I.A.D.B Industrial Lay-out Gulbarga and, as per Regulation 7.03 of ES&D Code 2001, the work had to be executed under self-execution scheme by the Applicant but the case on hand relates to sanction of additional load and sanction of additional load had to be dealt under clause 3.1.1 of Recovery & Expenditure for Supply of Electricity and, under this Regulation, the work had to be executed by the 1<sup>st</sup> Respondent depending on the availability of material and also by collecting Service Line Charges from the Applicant.

5. The 1<sup>st</sup> Respondent denied that the 1<sup>st</sup> Respondent had delayed sanctioning additional load for 18 months and clarified that the Appellant had submitted his application for sanction of additional load on 11.01.2011 and the installation had been serviced on 20.09.2011 after the Appellant had deposited the prescribed amount on 04.03.2011 and this is evident from **Form No A** filed by the Appellant before the 2<sup>nd</sup> Respondent. Hence, the 1<sup>st</sup> Respondent requested this Authority to

dismiss the appeal of the Appellant by confirming the order passed by 2<sup>nd</sup> Respondent .

6. The matter was taken up for hearing on 14.12.2012. On behalf of the Appellant, Authorised Representative, Shri Hamid Pasha Sarmast appeared and put forth his arguments and, on behalf of the 1<sup>st</sup> Respondent, (1) Shri Vaijanath, Assistant Executive Engineer(EI), (2) Shri Ramesh Pawar, Assistant Executive Engineer(EI) and (3) Shri Abdul Majid, Executive Engineer (EI) appeared and submitted their respective arguments. Hearing was concluded on 28.12.2012.

7. The Appellant reiterated the submission made in his appeal memo. The 1<sup>st</sup> Respondent Vaijanath(AEE) also reiterated the submissions made in his reply. Shri Ramesh Pawar, the then Assistant Executive Engineer(EI), in his arguments, submitted that when he reported as Assistant Executive Engineer(EI), City Sub-Division-1 GESCOM, Gulbarga on 03.02.2012, he found that the Appellant had registered for additional load on 11.01.2011 and the Section Officer had prepared and submitted Estimates and Feasibility Report to the Assistant Executive Engineer (EI). In the Feasibility Report, the Section Officer had proposed for installation of additional transformer as the existing 63 KVA transformer had been having 90 HP load and had not been able to take the proposed additional load. Based on this Estimate and Feasibility Report, the Executive Engineer(EI), Gulbarga accorded sanction for additional load and sanction had been conveyed to the Appellant on 04.03.2011.

8. Shri Ramesh Pawar, Assistant Executive Engineer(EI) added that, in the present case, the unit is located in K.I.A.D.B Industrial lay-Out, Kapnur 1<sup>st</sup> Stage, Gulbarga which had been developed during 1984. As per the Regulations prevailing at that time, KEB had been required to execute the work by collecting monthly Line Minimum Charges for a period of 7 years. This procedure had been prevailing prior to ES&D Code had come into force. Even under ES&D Code, the Service Provider was required to establish the infrastructure by collecting Service Charges from the

consumer as per Regulation 30.06 & 30.07 of ES&D Code. The existing and proposed load is as below:

Existing Load	39 HP+ 480 Watts
Additional load	27 HP
Total	66HP+ 480 watts

9. The Consumer had earlier paid Rs.26,650/- vide receipt No. 14201 dated 30.08.2008 for the existing load and for additional load a differential amount of Rs.42,900/- had been collected vide receipt No D 4379 dated 04.03.2011.

10. Shri Ramesh Pawar, Assistant Executive Engineer(EI) further submitted that, at the time of preparation of Estimate and Feasibility Report, the existing 63 KVA transformer which was supposed to take additional load of 27 HP had a connected load of 90 HP and, for providing additional load of 27 HP, a new 100 KVA transformer had been proposed in the estimate to provide reliable power supply to the consumer and to overcome the overload of the existing 63 KVA transformer. Accordingly, additional transformer had been installed to service the additional load of 27 HP and, for providing additional infrastructure, the 1<sup>st</sup> Respondent had to collect Service Line Charges from the Appellant as per Regulation 30.06 of Conditions of Supply of Electricity of Distribution Licensees in the State of Karnataka.

11. Shri Ramesh Pawar further submitted that as per the official records, the Appellant was found to have applied for additional load on 30.10.2008 and the 1<sup>st</sup> Respondent had sanctioned power on 17.11.2008 and, in the sanction letter, the Appellant had been advised to pay service line charges of Rs.39,000/- and two months deposit of Rs.18,480/-, but the Appellant failed to remit the amount and also failed to observe the formalities for getting additional load and, hence, the application had been allowed to be lapsed.

12. Ramesh Pawar further maintained that the Appellant re-registered the application on 11.01.2011 and the application had been processed and power sanction had been conveyed on 04.03.2011 and, in this sanction letter, the Appellant had been advised to pay Service Line Charges of Rs.42,900/- and difference of D-2 i.e. Rs.18,480/-. The Appellant had paid the said amount on the same day vide receipt No.04378 towards D-2 and vide receipt No.04379 towards Service Line Charges. This time, the Appellant had observed all the formalities and the 1<sup>st</sup> Respondent serviced the additional load on 22.09.2011. However, he admitted that there had been an inordinate delay in providing additional load.

13. Both parties were informed vide letter No.OMB/G/G-126/2011/130 dated 27.11.2012 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.

14. Having regard to the contending positions of the parties, the issue that emerges for our consideration is :

***Whether GESCOM has failed to achieve the standards of performance laid down in KERC (Licensee's Standards of Performance) Regulations, 2004 while sanctioning additional load to the Appellant and caused delay warranting payment of compensation?***

15. In order to answer this question, we will have to examine the arguments made by the parties.

16. Shri Ramesh Pawar, the then Assistant Executive Engineer(EI) CSD-1, GESCOM, Gulbarga, in his argument, clarified that the Appellant had applied for additional load of 27 HP on 30.10.2008 and the 1<sup>st</sup> Respondent had sanctioned additional load on 17.11.2008 and, in the sanction letter, the Appellant had been

advised to pay service line minimum charges of Rs.39,000/- and 2-D of Rs.18,400/-, but the Consumer had failed to pay the amount and also failed to observe the formalities for getting the additional load and, hence, the application was allowed to be lapsed. This is evident from the sanction letter issued by the Assistant Executive Engineer(EI) vide No.634 dated 17.11.2008 and this sanction letter had advised the Appellant to pay Service Line Charges of Rs.39,000/- and Rs.18,480/- towards Difference D-2 within a month and the Appellant was also directed to complete other formalities. Further, the sanction letter says that if the formalities are not observed within 30 days, the sanction of additional load will automatically lapse. There is no proof of the Appellant having complied with these formalities within the time frame of 30 days and, on the other hand, the Appellant is found to have re-registered for sanction of additional load again on 11.01.2011. Hence, the contention of the Appellant that he had applied for additional load in 2008 and the 1<sup>st</sup> Respondent has failed to sanction additional load cannot be accepted as the Appellant himself has allowed the application to be lapsed by not paying the prescribed amount and also for failure to follow the other formalities.

17. Secondly, from the records, it is evident that the Appellant has re-registered for additional load on 11.01.2011 by paying the prescribed amount and also found to have followed all the formalities within the prescribed time frame. However, the 1<sup>st</sup> Respondent appears to have taken 6 months to service the additional load and, from the records, it can be seen that the additional load was serviced on 22.09.2011. As per KERC (Licensees' Standards of Performance) Regulations, 2004, the 1<sup>st</sup> Respondent is supposed to service the additional load within a period of 30 days if all the formalities are followed by the Consumer. The 1<sup>st</sup> Respondent appears to have failed to achieve the standards of performance within 30 days and found to have taken 201 days to achieve the standards of performance. From this, it becomes clear that the 1<sup>st</sup> Respondent has exceeded time limit by 170 days as per KERC (Licensees' Standards of Performance) Regulations, 2004, and, hence, the 1<sup>st</sup> Respondent is liable to pay amount at Rs.50/- per day. (This case relates to sanction of additional load).

18. Thirdly, the Appellant's argument that the Appellant ought to have been allowed to carry out the work under self-execution scheme cannot be accepted as the Appellant has not exercised that option under 3.1.2 of KERC (Recovery of Expenditure For Supply Of Electricity) Regulations, 2004 which states **"The Distribution licensee shall execute all the works necessary for providing electric line up to and including terminal pole as may be required, duly collecting the amount specified in sub-clause 3.1.1 above."**

19. For the additional load sought for:

**"Provided the applicant opts for executing the work of extension of electric line/plant on his own as per the estimate, standard drawing and specifications of the licensee, the same shall be granted. In such cases the applicant shall pay supervision charges at 10% of estimated cost of the work excluding employees cost subject to a maximum of Rs 15.00 lakhs for extending the supply, to the licensee. Wherever applicant carries out the work by himself at his own cost, the licensee shall not collect the charges specified in sub-clause 3.1.1 above."**

20. Fourthly, the argument that the 1<sup>st</sup> Respondent has not carried out any additional work in the present case while servicing additional load and the 1<sup>st</sup> Respondent has only replaced the existing failed transformer and serviced the additional load cannot be accepted in the light of the Feasibility Report prepared by the Assistant Executive Engineer(EI). The Feasibility Report clearly states that the existing 63 K.V.A transformer which is supposed to take additional load of 27 HP has a connected load of 90 HP and for providing additional load of 27 HP, a new 100 KVA transformer is proposed in the estimates to provide reliable power supply to the consumer and to overcome the over load of the existing 63 KVA transformer.

21. In the light of the above, it can be concluded that the 1<sup>st</sup> Respondent has delayed servicing additional load for a period of 170 days and, hence, it is liable to



pay amount at Rs.50/- per day as per KERC (Licensees' Standards of Performance) Regulations, 2004. Hence, the following order:

## **ORDER**

22. For the foregoing reasons, the appeal is partly allowed in terms of the following:

**23. GESCOM to pay an amount Of Rs.8500/- to the Appellant for failing to achieve standards of performance by 170 days.**



(B.R Jayaramaraje Urs)  
Electricity Ombudsman

1. Smt.Mateen Zohra Siddique, M/s. Decent Dal Industries, Kapnoor Industrial Area, Gulbarga (represented by Sri M.Ilyas M.Sarmast, Gulbarga).
2. Assistant Executive Engineer(EI), O & M City Sub-Division-1, GESCOM, Gulbarga.
3. Consumer Grievance Redressal Forum, GESCOM Corporate Office, Opp. Hotel Parivar, Main Road, Gulbarga
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
9. OCA