



**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/H/G-158/2013/259**

**Dated 08.08.2013**

Shri Rikabchand Jain,  
 (Installation No.HT-6665)

C/o T.M.Baddi,  
 Near S.B.I.,  
 Keshavapura,

**HUBLI**

**(Represented by Sri Tushar M.Baddi,**  
**Authorised Representative)**

**.. Appellant**

**Vs**

1. Assistant Executive Engineer(EI),  
 O&M City Sub-Division-1,  
 HESCOM,  
 Shivaganga Layout, Kusugal Road,  
**HUBLI**

2. Consumer Grievances Redressal Forum (C.G.R.F)  
 HESCOM  
 Keshavapura, Shivaganga Layout,  
 Bijapur Road,  
**HUBLI-25**

**.. Respondents**

1. This is an appeal under clause 21.02 of KERC (Consumer grievance Redresal Forum & Ombudsman) Regulations, 2004 against the order passed by the Consumer Grievance Redressal Forum, HESCOM, Hubli (hereinafter referred

to as the 2<sup>nd</sup> Respondent) vide No. ಹವ/ಗ್ರಾಕುಂಕೊನಿವೇ/ಕಪ್ರ.ಸಂ.141/CYS-8/13-14 ದಿನಾಂಕ 25.05.2013 in respect of Appellant's grievance relating to delay in refund of Advance Estimated Power Consumption Charges by the Assistant Executive Engineer, O & M City Sub Division-1, HESCOM, Hubli (hereinafter referred to as the 1<sup>st</sup> Respondent) and rejection of compensation claims of the Appellant under KERC (Licensees' Standards of Performance) Regulations-2004 by the 2<sup>nd</sup> Respondent. Aggrieved by the order passed by the 2<sup>nd</sup> Respondent, the Appellant has submitted his case as under:

2. The Appellant applied for temporary supply of power with HESCOM for construction purposes. Temporary connection was provided in the month of June, 2006 and installation was assigned RR No TL 6665 and serviced in July, 2006. After the construction was over, the Appellant applied for refund of Advance Estimated Power Consumption Charges of Rs.6,600/- with the 1<sup>st</sup> Respondent on 17.08.2010 with original receipts. Since the advance amount was not refunded, the Appellant went on sending reminders to the 1<sup>st</sup> Respondent. The Appellant sent reminders on the following dates:

- 1) 17.08.2010
- 2) 10.03.2011
- 3) 19.05.2011

3. Finally on 15.02.2012, the 1<sup>st</sup> Respondent refunded Rs.441/- to the Appellant after a lapse of 18 months. While refunding the amount, the 1<sup>st</sup> Respondent did not give the break up of Rs.441/-. As per Clause 29.08 of the Conditions of Supply of Electricity of Distribution Licensees in the State of Karnataka, the Licensee is liable to pay interest on such excess amount claimed from the Appellant. Further, the Licensee is liable to pay the amount to the Appellant for failing to achieve the standard of performance as per KERC (Licensees' Standards Of Performance) Regulations, 2004. Under Serial No 14 of

Schedule-1 of KERC (Licensee's Standards of performance) Regulations, 2004, the Licensee is supposed to refund the Advance Estimated Power Consumption charges to the consumer within 60 days from the date of filing such Refund Bill. In case the Licensee fails to refund the Advance Estimated Power Consumption Charges within 60 days, then the Licensee will be liable to pay an amount of Rs.50/- per day for each day of delay and, hence, prayed this Authority to issue directions to the 1<sup>st</sup> Respondent to pay the interest from the date such excess amounts collected from the Appellant and also to pay compensation as prescribed under KERC (Licensees' Standards of Performance) Regulations, 2004.

4. The 1<sup>st</sup> Respondent's comments were called vide letter No OMB/H/G-158/2013/223 dated 26.06.2013. In his comments vide letter No. OMB/H/G-158/2013/223 dated 26.06.2013 the 1<sup>st</sup> Respondent admitted the Appellant having filed refund bill on 17.08.2010. Further submitted that during verification of claims of the Appellant, HESCOM had found the Appellant due some amount to HESCOM. Verification disclosed that the Appellant was in arrears to the tune of Rs.6,159/- to HESCOM. Hence, proposals had been sent to the Executive Engineer (EI) for refund approval and, after approval, an amount of Rs.441/- had been disbursed to the Appellant through cheque. The 1<sup>st</sup> Respondent added that enquiry revealed that the officers had been busy with tackling power shortages and recoveries and, hence, sufficient time could not be given to this issue. This delay is not intentional and, hence, prayed this Authority not to award compensation to the Appellant.

5. The case was taken up for hearing on 29.07.2013. On behalf of the Appellant, Authorised Representative, Shri T.M Baddi appeared and argued the case. On behalf of the 1<sup>st</sup> Respondent, Shri Babu Gona, Sr Assistant and I/C Accounts officer present and advanced his arguments. Arguments from both sides got over on the same day.

6. Reiterating the submissions made in the appeal memo, the Authorised Representative of the Appellant argued that the Appellant got temporary connection on 14.06.2006 through installation bearing R.R No TL 6665 and paid Rs.6,600/- towards Advance Estimated Power Consumption Charges and Rs.825/- towards Meter Security Deposit. After the completion of the building, the installation had been dismantled and, after dismantling, the Appellant claimed refund of the Advance Estimated Power Consumption Charges on 17.08.2010. The 1<sup>st</sup> Respondent ought to have refunded Rs.7425/-- and instead refunded only Rs.441/-. This amount had been refunded on 15.02.2012 after a lapse of 18 months and, hence, prayed this Authority to issue directions to the 1<sup>st</sup> Respondent to pay interest at 2% from the date such excess claims are made by HESCOM.

7. Concluding his arguments, the Authorised Representative submitted that the 1<sup>st</sup> Respondent had failed to achieve KERC (Licensees' Standards of Performance) Regulations, 2004 as it had failed to refund the Advance Estimated Power Consumption Charges within 60 days after filing the refund bill as per Schedule-1 and Serial No-14 of KERC (Licensees' Standards of Performance) Regulations, 2004 and had taken 16 months to refund the amount (excluding 60 days allowed for refund) and, hence, the Appellant is eligible for compensation at Rs.50/- per day for each day of delay for 16 months. When this Authority sought to know whether the Appellant had filed the claims for compensation in Form No-A under KERC (Licensees' Standard of Performance Regulations-2004, the answer came in the negative.

8. The 1<sup>st</sup> Respondent's representative argued that there had been delay in refund of the Advance Estimated Power Consumption Charges and this delay had been on account of the staff engaging in electricity distribution and recovery work and, hence, prayed this Authority to reject the claims of the Appellant for payment of interest. Arguing on compensation claims of the Appellant, the representative of the 1<sup>st</sup> respondent submitted that the Appellant had not

submitted compensation claims in Form No-A. As per Clause 7.01 of KERC (Licensee's Standards of performance) Regulations, 2004, the consumer had to bring to the notice of the Licensee that standards of performance had been violated and accordingly claim the amount from the Licensee. In case the consumer filed application in Form-A, the Licensee is required to take decision on the amount of claim of the consumer and, if found liable, should pay the amount to the consumer within 90 days from the date of receipt of application and, in case the amount is not paid within 90 days, the aggrieved consumer can make an application to CGRF and thereafter to Ombudsman. Since the Appellant had failed to prefer claims in the prescribed form, his prayer for payment of compensation could not be considered and, hence, prayed this Authority to reject such claims.

9. Both parties were informed vide letter No.OMB/H/G-158/2013/241 dated 17.07.2013 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.

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

***a. Whether there is any delay on the part of the Licensee in refunding Advance Estimated Power Consumption Charges to the Appellant and, if so, whether the Licensee is right in rejecting the claims of the Appellant for payment of interest?***

***b. Whether the Appellant has brought to the notice of the Licensee regarding violation of KERC (Licensees' Standards of Performance) Regulations, 2004, and whether the Appellant has preferred his claims for the compensation in Form No.A. If not, whether such claims can be accepted?***

11. The 1<sup>st</sup> Respondent has admitted that there is a delay in refund of Advance Estimated Power Consumption Charges. Two reasons are given for the delay, viz., (a) Due to serious power disruption, officials were busy tackling power disruption issues and, hence, could not refund the Advance Estimated Power Consumption Charges in time and (b) the staff were busy in recovery work. The arguments of the 1<sup>st</sup> Respondent that the staff were otherwise busy and, hence, the amount could not be refunded in time cannot be accepted as they are not worthy of consideration. Hence, 1<sup>st</sup> Respondent's arguments are rejected. HESCOM is liable to pay interest to the Appellant on Advance Estimated Power Consumption Charges from the date such amounts are held by HESCOM (excluding 60 days grace period) at 1% per month.

12. As regards the second question, the Appellant has to first approach the Licensee and file application in Form No-A for compensation in case of violation of standards of performance and the Licensee has to take decision on the amount of claim of the consumer and, if found liable, shall pay the amount to the consumer within 90 days from the date of receipt of application as per Clause 7.02 of KERC (Licensees' Standards of Performance) Regulations, 2004 and, in case of the consumer not being paid the amount within the prescribed time, the affected consumer can file a complaint with the CGRF and thereafter to Ombudsman under Section 42 of the Electricity Act and Clause 7.03 of KERC(Licensees' Standards of Performance) Regulations, 2004. In the present case, the Appellant is found to have approached CGRF & Ombudsman directly without following the procedure and, hence, the Appellant is advised to approach the Licensee and file Form No-A for compensation.

13. In the light of the above discussion, I proceed to pass the following orders:

## **ORDER**

14. For the foregoing reasons, the 1<sup>st</sup> Respondent is hereby directed to pay interest to the Appellant on the Advance Estimated Power Consumption Charges from the date such amounts are held by HESCOM (excluding 60 days of grace period) at 1% per month.

15. Prayer regarding payment of compensation is not considered as still the Appellant has not exhausted the legal remedies available under Clause 7.02 of KERC (Licensees' Standards of Performance) Regulations, 2004.

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



(B.R. Jayaramaraje Urs)  
Electricity Ombudsman

1. Shri Rikabchand Jain, (Case No.6665), C/o Shri T.M.Baddi, Near S.B.I., Keshavapura, Hubli.
2. Assistant Executive Engineer, O & M City Sub-Division-1, HESCOM, Shivaganga Layout, Kusugal Road, Hubli
3. Consumer Grievance Redressal Forum, HESCOM, Keshavapura, Shivaganga Layout, Bijapur Road, Hubli-25
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