Before the Electricity Ombudsman
9/2, 6th Floor, Mahalakshmi Chambers, M.G.Road, Bangalore
Present: B.R. Jayaramaraje Urs, IAS (Retd.)
Electricity Ombudsman
Case No. OMB/B/G-183/2014/418
Dated 29.09.2014

Shri S.H. Jadhav,
Near LIC Office,
Sougandhipur,
SAUDATTI
(Represented by Sri M.A. Delvi,
Authorised Representative)

Vs

1. The Asst. Executive Engineer (EI)
O & M Sub Division,
HESCOM,
SAUDATTI

2. The Chairperson
Consumer Grievance Redressal Forum
Office of the Superintending Engineer (EI),
O & M Circle,
HESCOM,
Opp. KLE Hospital,
Nehru Nagar
BELGAUM

Appellant

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, HESCOM, Belgaum District (hereinafter referred to as the 2nd Respondent) vide No Belgaum/CF/13-14,CYS.155 dated 29.03.2014 with regard to the Appellant’s grievance of his being levied electricity charges and fixed charges applicable to 12 HP although he had applied for 7.5 HP power. The 2nd Respondent declined to grant any relief to the Appellant. Aggrieved by the order passed by the 2nd Respondent, the Appellant has submitted his case as under:

2. The Appellant is an electricity consumer of HESCOM and installation bearing R.R No KTMIP, which stands in the name of the Appellant, was serviced on 11.03.2002 for a sanctioned load of 7.5 HP by the Assistant Executive Engineer(EL), O & M Sub Division, HESCOM, Saudatti (hereinafter referred to as the 1st Respondent). This is reflected in all the related documents such as the estimate, power sanction letter and agreement. The Appellant paid the demanded charges in good faith. Later, he realized that he being billed for 12 HP instead of 7.5 HP and, hence, represented to the higher authorities to set right this anomaly. The Chief Engineer(EL) addressed the 1st Respondent to set right this anomaly, but his advice fell on deaf ears and the 1st Respondent issued a demand for Rs.1,48,644/-. The 1st Respondent made over writings in the application filed by the applicant and made 7.5 HP as 12 HP and corrections made were not authenticated by the Competent Authorities. Efforts to convince the concerned that the Appellant was not liable to pay for 12 HP power did not yield any results and, hence, he was forced to approach the 2nd Respondent for justice. Even the 2nd Respondent extended a limited relief of revising the bill with effect from 06.09.2006 on the basis of 7.5 HP leaving untouched the period between the date of service and up to 05.09.2006. The Appellant has made application for sanction of 7.05 HP and he is not concerned with the estimate or cost and even not bound by the corrections made in his application by the 1st Respondent. Hence, prayed this Authority (a) to allow the appeal, (b) to direct the 1st Respondent to treat the
sanctioned load as 7.5 HP and to effect corrections in the agreement and (c) to set aside the revised bill for the period between 11.03.2002 to 05.09.2006.

3. The 1st Respondent’s comments were called vide letter No OMB/H/G-183/2014/375 dated 25.06.2014.

4. The 1st Respondent filed his statement of objections to the points raised by the Appellant in the appeal memo dated 24.06.2014. The 1st Respondent, in his statement of objections, submitted that the Appellant had been sanctioned 12 HP power and not 7.5 HP as claimed by him. The Appellant had applied for sanction of 7.5 HP power to his irrigation pump set on 30.10.1999 and energization involved laying of three extra poles, 3 ph-4 wire line for a distance of 180 meters (3 poles) and replacement of existing 25 kVA transformer with 63 kVA transformer as the 25 kVA TC had 32.05HP of connected load. As per the financial norms prevailing at that time, the 1st Respondent could spend Rs.5,000/- per each HP of applied load and for 7.5 HP applied load the 1st Respondent could totally spend Rs.40,000/- against the estimated cost of Rs.54,627/- and, hence, corrections had been carried out in the application and the load of 7.5 HP had been corrected as 12 HP. This had been done to meet the extra expenditure with the knowledge of the Appellant. The Appellant had been sanctioned 12 HP power on 15.02.2000 and as per the estimates, the Appellant paid Rs.6000/- as deposit for 12 HP power supply, Rs 960-00 towards cost of the meter and Rs.14,979-00 towards the cost of the LT line extension. Hence, allegation that the Appellant had been kept in darkness about the total sanction of load was incorrect. Later, the Appellant on 06.09.2006 sought for reduction of sanctioned load from 12 HP to 7.5 HP and, in response to this letter, office addressed two letters to the Appellant dated 28.11.2008 and 23.07.2011 advising him to clear the electricity charges. However, the Appellant had failed to pay the energy charges, but continued making representation for reduction of load from 12 HP to 7.5 HP. His request had not been considered for the reasons explained above. Hence, prayed this Authority to dismiss the appeal and to confirm the order passed by the 2nd Respondent.
5. The case was taken up for hearing on 21.08.2014. On behalf of the Appellant, the Authorized Representative Shri M.A. Delvi appeared and put forth his arguments and the 1st Respondent, Shri C.S Mathapathi, Assistant Executive Engineer (El) Saudatti Sub-Division appeared and advanced his arguments. Arguments from both sides got concluded on 15.09.2014.

6. During the hearing, both the Appellant and the 1st Respondent reiterated the submissions made in the appeal memo and statement of objections respectively.

7. Both parties were informed vide letter No. OMB/H/G-183/2014/400 dated 05.08.2014 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.

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

(a) Whether the Licensee is right in insisting on payment of Rs.5000/-per each HP of the applied load from the Appellant (farmer) for energizing his irrigation pump set and whether the 1st Respondent’s decision is as per HESCOM’s Circular?

(b) Whether the 1st Respondent is right in sanctioning 12 HP power when the Appellant had applied for 7.5 HP and whether the 1st Respondent is right in claiming energy charges applicable to 12 HP from the Appellant?

9. This case relates to supply of power to irrigation pump sets. HESCOM has issued Circulars from time to time regarding the amount to be collected from the farmers
towards supply of power to the irrigation pump sets. In the instant case, the Appellant, who happens to be a farmer, applied for 7.5 HP power supply to his irrigation pump set in 1999 and the Licensee advised the Appellant to pay Rs.5,000/- per each HP of applied load which would have come to Rs.40,000/-. In the instant case, the Licensee, after preparing the estimates, came to know that energization of pump set involved laying of three extra poles and replacement of existing 25 kVA transformer with 63 kVA transformer costing Rs.54,627/-. Accordingly, advised the Appellant to pay Rs.54,627/-. The Appellant paid Rs.14,979/- which includes the cost of three poles, the cost of conductor besides supervision and labour charges. The Licensee serviced the installation on 11.03.2002. After servicing the installation, the Appellant came to know that he had been wrongly billed on the basis of 12 HP instead of 7.5 HP. This he came to know in the year 2004 and afterwards represented to the 1st Respondent to set right this anomaly, but the 1st Respondent continued to bill on 12 HP basis and, finally, the 1st Respondent disconnected the installation of the Appellant in 2010 for non-payment of dues. The Appellant, aggrieved by the 1st Respondent’s decision, approached the 2nd Respondent seeking justice. The 2nd Respondent, after hearing the parties, passed order directing the 1st Respondent to collect energy charges on the basis of 7.5 HP from 2006 to 2010 whereas the Appellant had sought for payment of energy charges from 2004 to 2010 on 7.5 HP basis.

10. The 1st Respondent has admitted, in his statement of objections, that he had made alteration and scored off 7.5 HP and wrote 12 HP in the application form filed by the Appellant. The 1st Respondent argued that in the instant case the energization of irrigation pump set required drawing of extra line for a distance of 180 meters and replacement of existing 25 kVA transformers with 63 kVA transformer. As per the then existing norms, HESCOM could spend Rs.5,000 per each HP of the applied load and for 7.05 HP applied load it could spend only Rs.40,000/- against the estimated expenditure of Rs.54,627/- and, hence, they made correction in the registered application.
11. This Authority, during the course of the hearing, advised the 1st Respondent to produce Circulars/Orders requiring the farmer to pay Rs.5,000/- per each HP of the sanctioned load. The 1st Respondent sought time to produce Circulars in defence of his arguments. Time was granted, but he failed to produce any proof and, hence, further time was granted. Finally, he produced a Circular issued by HESCOM dated 16.12.1997 which says that under the self-execution scheme if any farmer applied for supply of power to his irrigation pump set, such irrigation pump set could be energized if the farmer came forward to pay the cost of LT line extension or Rs.10,000/- whichever was higher which excludes the cost of transformers. There is no mention of HP in the Circular. The entire text of the circular is reproduced below:

**संदर्भित मिश्रित नियमित्ति**

संदर्भित: कृपया अधिकृत रूप से व्यक्ति निवेदित किया प्रस्तावित,

विधायक नियमित्ति संख्या


**राष्ट्रीय नियमित्ति**

राष्ट्रीय नियमित्ति कृपया अधिकृत रूप से व्यक्ति निवेदित किया प्रस्तावित,

विधायक नियमित्ति संख्या

दिनांक: 15.4.1997

2) विधायक नियमित्ति संख्या 12.8.1997

हेसकोम अधिकृत नियमित्ति संख्या देशीय नियमित्ति संख्या के साथ संबंधित नियमित्ति कृपया अधिकृत रूप से व्यक्ति निवेदित किया प्रस्तावित,

विधायक नियमित्ति संख्या

दिनांक: 15.4.1997

2) विधायक नियमित्ति संख्या 12.8.1997

HESCOM अधिकृत नियमित्ति संख्या देशीय नियमित्ति संख्या के साथ संबंधित नियमित्ति कृपया अधिकृत रूप से व्यक्ति निवेदित किया प्रस्तावित,

विधायक नियमित्ति संख्या

दिनांक: 15.4.1997

2) विधायक नियमित्ति संख्या 12.8.1997

...
The Circular is clear that the 1st Respondent could collect only the cost of LT line extension or Rs.10,000/- whichever was higher. Seen in the light of this Circular, the decision of the 1st Respondent to levy Rs.5,000/- per each HP of applied load is found to be incorrect and inconsistent with the Circular. In other words, HESCOM had a policy under which farmers could avail power to their irrigation pumps by paying the cost of LT line extension or 10,000/- whichever was higher. In the instant case, the Appellant has paid Rs.14,979/- towards the cost of three poles (to cover 180 metres
distance), cost of conductor besides labour and supervision charges. When HESCOM had a policy to energize irrigation pump sets of the farmers collecting the cost of the LT line extension or Rs.10,000/- whichever was higher, the action of the 1st Respondent to insist on payment of Rs.5000/- per each HP of applied load is totally incorrect. Further, disconnecting power supply to the Appellant’s installation for non-payment of energy charges i.e., Rs.1,48,644/- is illegal and inconsistent with the HESCOM policy and, hence, such decisions are liable to be set aside. From the records, it can be seen that the Appellant has paid the cost of LT line extension and other related charges like cost of conductor, cost of three poles, besides labour charges and supervision charges. Totally, he is found to have paid Rs.14,979/- and this is found to be in conformity with the Circular issued by HESCOM which is reproduced above. Hence, demand raised for Rs.1,48,644/- is liable to be set aside. Further, this Authority does not see any reasons for HESCOM to stop power supply to the Appellant’s installation and, hence, pass the following orders:

**ORDER**

A) The demand raised for Rs.1,48,644/- against the Appellant is hereby set aside.

B) The 1st Respondent is hereby directed to reconnect power supply to the Appellant’s installation within 15 days without insisting on any further payment.

C) The order of the 2nd Respondent vide No B/CF/13-14/CYS-155 dated 29th, March, 2014 is set aside.

D) Consequently, the appeal is allowed.

(B.R.Jayaramaraje Urs)
Electricity Ombudsman

2. Chairperson, Consumer Grievance Redressal Forum, HESCOM, Nehru Nagar, Belgaum.

3. The Assistant Executive Engineer (Ele), O & M Sub Division, HESCOM, Saudatti.

4. Managing Directors of ESCOMs.

5. PS to Hon. Chairman, KERC

6. PS to Hon. Member (A), KERC

7. PS to Hon. Member (M), KERC

8. PS to Secretary, KERC