CGRF formed under the provision of IE Act 2003, sub clause 42(5) as well Notification No.2/2019 of GERC (CGRF & Ombudsman)

BEFORE THE CONSUMER GRIEVANCES REDRESSALFORUM
MADHYA GUJARAT VIJ COLIMITED
CORPORATE OFFICE, 5TH FLOOR SP VIDYUT BHAVAN,
RACECOURSE, VADODARA 390 007

Subject	Consumer Grievances Complaint No. MG-III-21-2023-24
Complainant	M/s. Mil Laboratories P Ltd.,Plot No.541, 567-568, GIDC Industrial Estate, At & Post : Alindra (Manjusar), Tal: Savli 391775, Dist: Vadodara
Respondent	Shri H J Shah, Executive Engineer, Baroda (O&M) Division and Shri C N Vekariya, Deputy Engineer, Manjusar s/dn of MGVCL.
Date of hearing	26.10.2023 Corporate Office, MGVCL Vadodara

QUORUM	NAME
Chairperson	Shri S P Trivedi, Vadodara
Technical Member	Shri K B Dhebar, (RA&C) MGVCL Vadodara

The complaint dated NIL received on 19.10.23 regarding suomotu estimate issued for LT to HT.

1.0On 26.10.2023, the case of the ComplainantGrievance was heard before Consumer Grievance RedressalForum wherein Ashokkumar Pillai, Head Operations, appeared on behalf of complainant M/s. Mil Laboratories P Ltd.,whereas Shri H J Shah, Executive Engineer, Baroda (O&M) Division and Shri C N Vekariya, Deputy Engineer, Manjusars/dn appeared as respondent on behalf of MGVCL before the Forum. Both the parties were heard.

2.0 The brief history of the case is as under:

2.1 The complainant Mil Laboratories P Ltd., is having a LTMD connection with a Contract demand of 90 KW bearing consumer no 19201/01771/5 located at Plot no: 541, GIDC MANJUSAR, under Manjusar Sub division of Baroda O&M division and power supply fed from 11 KV Shivam Industrial feeder emanating from 132 KV Manjusar Substation.

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2.2 Since the complainant had drawn power in excess of 5% of contract demand four timesduring FY 2022-23, notice vide letter dated 14.03.23 to regularize the demand was issued to consumer by Manjusar Sub Division.

2.3As per the provision of Clause 4.95 of Hon GERC supply code-2015, the complainant had to apply for HT connection to regularize the demand as per the average of four times maximum demand.

2.4As complainant had not responded to the notice and not applied for HT connection as per the provision of Clause 4.95 of Hon GERC supply code-2015, Circular-75,the respondent MGVCL had started Suomotu procedure for 140 KVA HT connection.

2.5MGVCL Circle office has issued estimate dated 20.9.2023 amounting Rs.12,42,365.00. The Complainant has not paid the estimate amount so far and complained to Consumer Grievance Redressal forum.

2.6After issuing of notice, demand recorded in LT connection is as under.

Month	Sanctioned demand in KW	Excess drawal	%age
Mar 23	90	97	7.78
Apr 23	90	98	8.89
May 23	90	97.8	8.67
Jun 23	90	117.3	30.3
Jul 23	90	109	21.1
Aug 23	90	86	-4.44
Sep 23	90	76.5	-15
Oct 23	90	85	-5.56

3.0 The representative of the complainant contended that -

3.1They are in business of manufacturing of Medical grade disinfectants and sterile surgical dressingsand running their business since 2008. They are having a 90 KW Industrial (LTMD) connection withconsumer number 19201/01771/5 given by MGVCL since year 2008. They are very punctual customerof MGVCL that never has violated any laws/rules of MGVCL by knowing about it.

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3.2 Also, they are manufacturing Medical grade disinfectants and sterile surgical dressings in their unit. Dueto increase of production, their load demand was increased in year 2022-23. They have paid all billswith penalty of demand charges raised by MGVCL. However, based on their increased demand, MGVCLhas issued an estimate of Rs 12,42,365/- for 140 KVA HT connections on 20.09.2023.

3.3 In year2021 due to change in rule of the Central Drugsstandard Control Organization (CDSCO) the Sterile Surgical Dressings have come under MedicalDevice Rules and Disinfectants under the control of Food & Drug Administration through the DrugController General of India and hence they have been asked to keep the production of both thecategory of products under separate identity as they cannot manufacture both the category ofproducts under the same roof. Accordingly they have shifted production of medical gradeDisinfectants to their another unit with new HT connection since month Aug-23.

3.4 After that, there has been no rise in demand and their demand is in control since month Aug-23.

3.5 Their monthwise demand from August 2023 is as under-

Sr No.	Month	Sanctioned Demand in KW	Actual demand in KW
1	Aug 23	90	86
2	Sept 23	90	76.50
3	Oct 23	90	85.14

3.6 They also confirmed that there is no chance of increase in demand at this until in future as they havemoved considerable load to their new unit.

3.7 They have invested a huge amount in their new plant and they really do not require 140 KVA HTConnection as there will never be a situation that their requirement will be more than the sanctioneddemand of their LT connection that is 90 KW.

3.8 Further, they have made written submission on 21.11.2023 that they have constructed a new unit in the name MIL Pharmaceuticals Pvt Ltd and has transferred the manufacturing of all liquid products to the new unit. They had taken a new HT connection of 350 KVA load, Consumer No. 14530 in the name of MIL Pharmaceuticals Pvt Ltd in plot No. 542,567 & 568, GIDC, Manjusar, Tal. Savli

3.9 Now M/s. MIL Laboratories Pvt Ltd., manufactures only sterile surgical dressings and there is no heavy machines are used, Due to transfer of the entire product range of liquid with effect from Aug'2023 to MIL Pharmaceuticals Ltd the power consumption has remained below approved load of 90 KW

3.10 They humbly request Forum as under:

3.10.1 Toallow them in LT connection and not to force to take HT connection.

3.10.2 Not to debit this estimate amount in their electricity bill as mentioned in estimate as they areunable to pay.

3.10.3 Allow them to increase 10 KW demand in future with their existing LT connection if required atany point of time in future.

3.10.4 If they are allowed to remain in LT supply, they hereby assure to pay any losses occur to MGVCLdue to violation of the above demand in future.

4.0 The respondent contended that -

4.1 In F.Y. 22-23, the complainant had drawn power in excess of 5% of contract demand four times for which noticedated 14.03.23 to regularize the demand was issued to consumer by Manjusar Sub Division.

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4.2 As per the average of four times maximum demand, complainant has to apply for HT connection to regularize the demand.

4.3 As consumer has not responded to the notice and not applied for HT connection as per the provision of Clause 4.95 of Hon GERC supply code-2015, As per guideline laid down in Technical Circular -75, their office has started Suomotu procedure and a proposal for 140 KVA HT connection vide dated13.10.2023 was submitted to Circle office for approval & issue of estimate.

4.4 Circle office had issued an estimate vide dated 20.09.2023 for 140 KVA HT connection.

5.0 The Forum Members present at the hearing considered contention of both the parties and perused the records and considering them in detail, findings are as under:

5.1 As per available record and submission by respondent & complainant, it was confirmed that the maximum demand was recorded in excess of contract demand by more than 5% for more than four times during financial year 2022-23, the respondent MGVCL had issued 30 days' notice to the complainant for submitting an application form for enhancement of load.

5.2 It was observed that due to non-response of the consumer by the end of notice period, the procedure for enhancing the contract demand from 90 KW LTMD to 140 KVA HT and estimate issued in accordance with clause No.4.95 of GERC Supply Code 2015 by the respondent is in order.

Review of Contracted Load/ Sanctioned Load Contracted Demand

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In case of HT, EHT and Demand Based LT connections, if the maximum demand was recorded to be in excess of contract demand by 5% or more for at least four times during last financial year, the licensee shall issue a 30-day notice to the consumer for submitting an application form for enhancement of load. If there is no response from the consumer by the end of the notice period, the licensee *shall start the procedure for enhancing the consumer's contract demand to the average of four recordings of maximum demand shown by the consumer's MDI meter in the last financial year. In such case, the consumer shall be liable to pay all applicable charges as per provisions of this Code for regularization of the enhanced demand. The enhanced demand will be considered as revised contact demand on receipt of such charges and all provisions of agreement shall be applicable to such consumers for revised contract demand.*

In case of non-Demand Based LT connections, review of Contracted Load / Sanctioned Load shall be carried out once in a financial year and if it is found that connected load on such type of connection is 25Yo or more than the Contracted Load/ Sanctioned Load in case of Residential Consumers and l0%o or more than the Contracted Load/ Sanctioned Load in case of other categories of consumers, the licensee shall issue a 60-day notice to the consumer for submitting an application form for enhancement of load. If there is no response from the consumer by the end of the notice period, the licensee shall start the procedure for enhancing the consumer's Contracted Load/ Sanctioned Load to the load found at the time of inspection. In such case, the consumer shall be liable to pay all applicable charges as per provisions of this Code for regularization of the enhanced load. The enhanced load will be considered as revised Contracted Load/ Sanctioned Load on receipt of such charges and all provisions of agreement shall be applicable to such consumers for revised Contracted Load/ Sanctioned Load.

5.3 --

a. The complainant prayed that they wanted to continue consumption of electricity as per the contract demand of 90 KW under the LT connection and they do not require HT tariff connection as per the contract demand of 140 KVA as proposed by the Respondent.

b. During the hearing, the complainant stated that they agreed to pay the demand charge for a period of 2 years, subject to the difference between the contracted load of 90 KW and the demand of 140 KVA as per the Suomotu estimate issued by the Respondent under the HT Tariff.

c. The action initiated by the Respondent to serve notices to the complainant to regularize the contract demand is also seen and by that way chance for the regularization of the contract demand was provided to the complainant. Excess demand records were intimated to the Complainant to control its contract demand or to avail the additional demand by the Respondent.

d. The complainant has drawn excess demand in excess of 5% four times in FY 2022-23 and continue to draw demand in excess of 5% four times during FY 2023-24 also.

e. The complainant has shifted the load of liquid products to their other unit MIL Pharmaceuticals Pvt Ltd, KT Consumer No. 14530, 350 KVA from Aug 23, and there after they has consumed within the contract demand.

f. In such type of cases, when the complainant had consented to the payment of two year minimum charges against the Differences of the contracted demand with the contract demand worked out under Suomotu proceeding by the Respondent, it is to look into the order passed by the ombudsman in a similar type of cases. Previously, the ombudsman had observed the merits in -

  (1) Case No. 46/2021 - Darshan A Shah, order dated. 13.12.2021
  (2) Case No. 01/2022 - Dura Plast, order dated.16.06.2022
  (3) Case No. 48/2022 - Arvindbhai B Patel, order dated 18.02.2023 and
  (4) Case No. 20/2022 - Shri Gobind Nutritions Pvt Ltd, order dated 14.03.2023

  and passed order in the respective cases. This case is having similar nature and the aforesaid direction is needed to apply here for the delivery of natural justice.

<u>O R D E R</u>

6.0 The Forum Members present during the hearing considered contentions of both the parties and has come to the conclusion that -

6.1 The procedure for enhancing the contract demand from 90 KW LTMD to 140 KVA HT and estimate issued by respondent MGVCL in accordance with clause No.4.95 of GERC Supply Code 2015 is in order in respect of

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complainant M/s. Mil Laboratories P Ltd., Plot No.541, 567-568, GIDC Industrial Estate, At & Post : Alindra (Manjusar), Tal: Savli 391775, Dist: Vadodara.

6.2 In view of the complainant's request, the Respondent shall collect the minimum charges of two years for the difference between the contracted load of 90 KW and the demand of 140 KVA and continue power supply under the 90 KW LT Connection of the complainant. If the complainant drawls demand exceed more than 5% of the contracted demand in the aforesaid LT connection, the contract demand shall be covered under clause no. 4.95 of the GERC's Electricity Supply code and related matters Regulation-2015 and regularize the contract demand of the complainant by taking the specific action immediately as per the aforesaid Provisions.

6.3 Suomotu estimate issued by respondent MGVCL for enhancement of contract demand from 90 KW to 140 KVA HT shall be considered as deemed cancelled after receipt of payment of Minimum demand Charges for two years.

(K B Dhebar)	***(S P Trivedi)***
Technical Member	***Chairperson***

PS :

If the complainant is not satisfied with the order of this Forum, the complainant may approach Ombudsman only after payment of minimum 33% of the bill amount issued to the party in question. ***The Office address of the Ombudsman is*** *: The Staff Officer, Office of the Electricity Ombudsman, Gujarat Electricity Regulatory Commission, Barrack No.3, Polytechnic Compound, Ambawadi, Ahmedabad 380 015 in accordance with Clause No.3.19 (viii) of GERC Notification No.2 of 2019.*

Procedure to make representations before Ombudsman

1. Representation should be in writing duly signed by the complainant with his name and address.
2. Representation should be supported with affidavit.
3. True copy of order of Forum and original complaint made before Forum should be attached. Enclosed documents should be certified copies of the original documents.
4. The representation before Ombudsman should be submitted within 30 days from the date of order of Forum.

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5. Copy of representation should be submitted at the office of Ombudsman. Copy of representation should be submitted to all respondents.
6. If the complainant is required to pay any amount according to the order of Forum, one-third of such amount should be deposited by complainant and proofs should be attached along with the representation.
7. The matter should not be pending before the competent Forum or any other court, tribunal, arbitrator or any other authority.
8. All representations should be with a sufficient cause, reasonable diligence causing the consumer prima facie loss and damages / inconvenience.
9. Representation may be submitted in English or Gujarati language

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