

BEFORE THE ELECTRICITY OMBUDSMAN

For the State of Goa and Union Territories (Except Delhi)
3rd Floor, Plot No. 55-56, Udyog Vihar - Phase IV, Sector 18,
Gurugram (Haryana) 122015,
Phone No.:0124-4684708, Email ID: ombudsmanjerc@gmail.com

Appeal No.113 of 2019**Date of Hearing: 04.11.2019 at Chandigarh**

Shri Kulbir Singh Brar, House No. 1517,
Sector 36, Chandigarh

....Appellant(s)**Versus**

The Superintending Engineer,
Electricity Wing of Engineering Department,
Deluxe Building, Sector 9D, Chandigarh 160009

....Respondent(s)

And others.

Parties present:

Appellant Smt. Yogeet Kaur Brar
W/o Shri Kulbir Singh Brar, House No. 1517,
Sector 36, Chandigarh

Respondent(s) Shri Anil Dhamija
Executive Engineer

Sh. Vijay Kumar
Assistant Executive Engineer

Sh. Jasmer Singh
ARA



Date of Order: 07.11.2019

The Appellant has preferred an Appeal against order of the Consumer Grievances Redressal Forum, Chandigarh dated 07.08.2019 in Complaint No.CGRF/Comp-A-111/2019. The Appeal was admitted on 05.09.2019 as appeal No. 113 of 2019. Copy of the same as received was forwarded to the respondent with a direction to submit their remarks/ counter statement on each of the points latest by 28.09.2019.

Settlement by Agreement

Both the parties appeared before the Electricity Ombudsman as scheduled and were heard. Efforts were made to reach a settlement between the parties through the process of conciliation and mediation. However, no settlement mutually agreeable could be reached. The hearing therefore, continued to provide reasonable opportunity to both the parties to put forth their pleading on the matter.

(A) Submissions by the Appellant:

1. a) The Appellant submitted that he is a bonafide resident of House No.1517, Sector-36, Chandigarh and has three electricity connections in the said premises, which are in the name of his late father Col. G.S. Brar.
- b) That he had applied for change of name on 19.07.2019, in his name after the death of his father but the SDO, Electy. 'OP' Sub-Division No.7, Sector 35, Chandigarh had replied that he will have to pay a total sum of Rs.73,750/- as security deposit for this change of name .



c) That these charges are wrongly levied by the Electricity Department as there is transfer of name to the legal heirs.

d) He requested to waive off these charges and do the needful.

2. The charges raised by the Electricity Department, Chandigarh for conversion of electricity meters in his name were very high, as detailed below:-

Sr. No.	Electricity connection Account Nos.	Security deposit / ACD already paid	Security deposit now demanded
1.	Sh. G.S. Brar 307/3643/151700X	Rs.6,707/-	Rs.14,540/-
2.	Sh. G.S. Brar 307/3643/151701Y	Rs.6,798/-	Rs.32,896/-
3.	Sh. G.S. Brar 307/3643/151702A	Rs.5,935/-	Rs.26,246/-
TOTAL		Rs.19,440/-	Rs.73,682/-

3. He has submitted that he had challenged the above demand of the Department before the Hon'ble CGRF, Chandigarh and the Hon'ble CGRF vide Order dated 07.08.2019 has advised the Electricity Department to calculate the ACD by considering 30 days period instead of 60 days .



4. He further submitted that he is still not satisfied with the relief granted by the Hon'ble CGRF and therefore he challenges their decision on the following ground:-

a) Security deposit worked out on monthly basis as per directions of CGRF, Chandigarh has huge variation in amount with respect to the security deposit already held by the Electricity Department, Chandigarh. By virtue of conversion of the title/ name the Electricity Department has simply to change the title of name and nothing is required to be done with respect to laying of cable/ sanctioning of load and any other associated work. He further requested that the directions to be issued to Electricity Department for review their action as sufficient amount of ACD stood already remitted in their Office, so that he may not be put to any additional burden.

(B) Submissions by the Respondents :

- (i) They submitted that Appellant has applied for change of name for three of electricity meter connection as stated above.
- (ii) Accordingly, the security deposit has been worked out based on the provisions in the Supply Code Regulation, 2018 Clause 5.88 (2) and Annexure -XVIII and the Security Deposit in each connection works out to be as under :-



Sr. No.	A/c. No.	300 Units @2.75	500 Units @4.480	Rest of Units @ 5.20	Total	Old Security Deposit / ACD
i.	307/3643/151700X			2176 units		
	6.89x24x60x30%=2976 Units	825	2400	11315	14540	6707
ii.	307/3643/151701Y			5706 units		
	15.06x24x60x30%=6506 Units	825	2400	29671	32896	6798
iii.	307/3643/151702A			4227 units		
	12.10x24x60x30%=5227 Units	825	2400	23021	26246	5935
					73682	19440

Grand Total (14540+32896+26246) =Rs.73,682/-

**Net Amount to be paid as Security =Rs.54,242/-
(73682-19440)**

- (iii) That the Hon'ble CGRF vide Orders dated 07.08.2019 has directed to calculate the ACD on 30 days basis instead of 60 days.
- (iv) The Order of the Hon'ble CGRF runs contrary to the provisions contained in the Supply Code Regulations, 2018 and contradicts the basic formula as provided in Annexure No. XVIII approved by the Hon'ble JERC. If any action is initiated for reviewing the ACD in terms



of the Orders of the Hon'ble CGRF then the same will become a precedent for the further cases to come and will create a chaos.

- (v) In view of the facts explained in the foregoing paragraphs, it is earnestly prayed that this Office has taken the action strictly on the basis of the facts as provided in the Supply Code Regulations, 2018 under Clause No.5.88 (2) read with Annexure - XVIII. This Office is unable to initiate any action beyond the provisions as specified in these rules. Hence the request of the consumer has no force in it and may please be dismissed in the interest of fair play and justice.

(C) CGRF order dated 07.08.2019, preferred for Appeal:

Consumer Grievances Redressal Forum, Chandigarh in its order dated 07/08/2019 has decided as under:-

"The hearing in the case was fixed for 06.08.2019, when Shri Kulbir Singh Brar, representative of Late Col. G.S. Brar appeared in front of the Forum and submitted that he wanted to get the electricity connection transferred from his father's name to his name, for which the Department is demanding a sum of Rs.73,750/- for all the three connections. As per reply submitted by the CED they have charged the amount as per rule 5.88 and calculation was done on the basis of Annexure XVIII of Supply Code Regulations, 2018. On analyzing it was found that security calculated by CED is on bi-monthly basis i.e. for 60 days, whereas rules says it should be calculated for



30 days only. Also, it was found that the complainant already had existing ACD to the tune of Rs.19,440/- details given below:-

Account No.1	Rs.6,707/-
Account No.2	Rs.6,798/-
Account No.3	Rs.5,935/-

The CED was asked to calculate the ACD on 30 days basis. When security was calculated on 30 days basis for all the three connections it comes out to Rs.36,841/-. Since, this amount is higher than already existing ACD of the complainant, hence the Forum decides that CED should charge ACD on the basis of 30 days instead of 60 days in this particular case. The complainant was still not satisfied as his consumption will not vary just because of the change of name.

Complainant also wanted that since his two floors of House No.1517, Sector 36-B, Chandigarh are normally rented out and variation of ACD every year will affect him because it is normally the tenant who pays the bill and ACD is adjusted in the bill according to the consumption which normally varies. Due to variation of ACD owner's tenant may enjoy owner's money or the tenant may have to shell out more money which ultimately belongs to the owner of the house if the tenant vacates the premises. In view of the above it seems to be a general problem of all houses in Chandigarh. Which is genuine one and needs to be look-after. The Forum suggest that CED should device a way in order to redress the above said problem immediately".



(D) Deliberations during hearing at Chandigarh:

1. **Appellant submission:**

- (i) The Appellant reiterated his version as submitted in appeal.
- (ii) The Appellant further submitted that three electricity connection are more than 10 years old and they are regularly paying the bills in time and the demand of Security Deposit by Electricity Department is harsh and arbitrary.

2. **Respondent submission:**

- (i) The respondent submitted that they have calculated the Security deposit strictly as per Clause No.5.88 (2) read with Annexure - XVIII of the Supply Code Regulations, 2018 as notified by the Hon'ble JERC.
- (ii) They further submitted that the annual consumption data in respect of 3 connections from 07.08.2018 to 07.08.2019 is as follows:-

Period	A/c No. 307/3643/151700X SL:6.900 KW		A/c No. 307/3643/151701Y SL:15.06 KW		A/c No. 307/3643/151702A SL:12.10 KW	
	Consumption	Units per kW	Consumption	Units per kW	Consumption	Units per kW
07.08.2018 to 07.08.2019						
Total	6455	922	6086	405	7071	588

- (iii) They further informed that at present bi-monthly billing is being done in respect of domestic consumers in Chandigarh.



(E) Analysis & Decision:

Following provisions have been made in the Electricity Supply Code Regulations 2018 notified by the Hon'ble Joint Electricity Regulatory Commission for Goa and UTs:-

“ Billing

General

7.1 Tariff and charges of supply of electricity shall be determined by the Commission from time to time. The License shall intimate the consumer, in the beginning of the financial year, the following:

- (1) Billing cycle, which shall be monthly for all categories of consumers except agricultural consumers, i.e., pump set connections, in which case, depending upon the local conditions, the Licensee shall specify the billing cycle separately with the approval of the Commission.

.....
.....

(2)

(3)

(4)

“Security Deposit

5.130 *A security deposit shall be deposited by all the consumers to cover:*



(1) *The estimated amount of bill corresponding to the billing cycle period plus one month; and*

(2)

5.131 *Subsequently, the security deposit shall be revised annually as per the procedure defined in Regulation 5.136 of this Supply Code, 2018. For deficient amount of Security Deposit, the Licensee shall serve the notice to consumer for Additional Security Deposit to be deposited by consumer within 30 Days. In case, the consumer does not deposit additional Security Deposit within 30 days of notice by Licensee, the additional Security Deposit shall be included in two subsequent bills of the consumer. Any excess amount of Security Deposit shall be adjusted within two subsequent bills of the consumer.*

5.132

5.133

5.134.

Interest on Security Deposit

5.135 *The Licensee shall pay interest to the consumer at the State Bank of India Base Rate prevailing on the 1st of April for the year, payable annually on the consumer's security*



deposit with effect from date of such deposit in case of new connections energized after the date of this notification, or in other cases, from the date of notification of this Supply Code, 2018. The interest accrued during the year shall be adjusted in the consumer's bill for the first billing cycle of the ensuing financial year. If the Security Deposit is submitted in the form of Bank Guarantee or by providing lien against fixed deposits, no interest shall be payable to the consumer.

Review of Security Deposit

5.136 *At the beginning of the financial year, the Licensee shall review the consumption pattern of the consumer for the adequacy of the security deposit from April to March of the previous year. Consumer is required to maintain a sum equivalent to his average payment for the period of one billing cycle plus one month, where 'average payment' shall be equal to the average of actual bills paid in the last financial year:*

Provided that for a consumer whose electricity connection is less than 1 year old, the security deposit shall not be revised at the beginning of the financial year.

5.137

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Annexure XVIII

Delimitation of Security Deposit amount

Security deposit amount for a consumer = Load x Load Factor of the category in which the consumer falls x (30 days (except agricultural consumers) + 30 days) x 24 hours x Current tariff

Sr. No.	Particulars	Load Factor
1.	Domestic	30%

Note: For agricultural consumers the time period shall be 60 days.”

A perusal of the above Regulation notified by the Hon'ble Commission, clearly reveals that Hon'ble CGRF has erred in calculating the security deposit in accordance with the Regulations as stated above. Since the billing cycle should be monthly as per Clause 7.1 (1) for domestic category, the period of the security deposit is required to be calculated as under in view of Clause 5.130 (1) in this particular case:-

Period -

The estimated amount of bill corresponding to the billing cycle period plus one month = 30 days (billing cycle should be monthly) + 30 days = 60 days.



The contention of the consumer that consumption will remain the same after the change of name cannot be accepted because the consumer is free to use the sanctioned load. The annual consumption pattern of three connections is as under -

Period	A/c No. 307/3643/151700X SL:6.900 kW		A/c No. 307/3643/151701Y SL:15.06 kW		A/c No. 307/3643/151702A SL:12.10 kW	
07.08.2018 to 07.08.2019	Consumption	Units per kW	Consumption	Units per kW	Consumption	Units per kW
Total	6455	922	6086	405	7071	588

Above consumption pattern reveals that consumption does not depend on the sanctioned load and it all depends on the use of electricity by consumers. The appellant annual consumption for a load of 6.90 kW is 922 units/ kW whereas for a load of 15.06 kW it is 405 units/kW and 12.10 kW it is 588 units/ kW. Considering all such aspects the Hon'ble Commission has approved the formula for calculating the estimated consumption and charge the security deposits thereof in Annexure-XVIII of Supply Code Regulation, 2018.

Further security deposit is reviewed at the beginning of financial year as per Clause 5.136 of Supply Code Regulations and any excess of security deposit shall be refunded and if it is less than the average payment for the period of one billing cycle plus one month, the shortfall is required to be made. Further, on such security deposit interest is required to be paid at the State Bank of India base rate prevailing on the 1st of April for the year. These Regulations safeguard the interest of the Electricity Department as well as consumers.

In view of the above position, the Order dated 07.08.2019 passed by the Hon'ble CGRF, Chandigarh is set aside. The Electricity Department should calculate the security deposit amount strictly as per Annexure-XVIII and taking the period of 60 days in the present case. The **Average Billing Rate (ABR)** as approved by Hon'ble Commission in Tariff Order for domestic category should be taken as "**Current Tariff**" for uniformity, easy calculations and for better understanding by consumers.



The Appeal Stands disposed off accordingly.



(M.P. Singh Wasal)
Electricity Ombudsman
For Goa & UTs (except Delhi)

07.11.2019

1. Shri Kulbir Singh Brar, House No. 1517,
Sector 36, Chandigarh

2. The Superintending Engineer,
Electricity Wing of Engineering Department,
Deluxe Building, Sector 9D
Chandigarh 160 009

Copies to:

1. The Secretary, JERC
2. The Chairman, CGRF, Electricity Department, Chandigarh.
3. Sh. Arvind, JERC for uploading of Order on JERC website.