Office of Electricity Ombudsman

(A Statutory Body of Govt. of NCT of Delhi under the Electricity Act, 2003) B-53, Paschimi Marg, Vasant Vihar, New Delhi – 110 057 (Phone No.: 32506011, Fax No.26141205)

Appeal No. F. ELECT/Ombudsman/2008/254

Appeal against Order dated 31.01.2008 passed by CGRF-NDPL in C.G.No.1560/12/07/MTN.

In the matter of:

M/s Lucky Plastic Shri K.S. Arora

- Appellant

Versus

M/s North Delhi Power Ltd.

- Respondent

Present:-

Appellant

Shri K.S. Arora the Appellant attended alongwith

Shri V.K. Goel, Advocate

Respondent

Ms. Yamini Gogia, Commercial Manager,

Shri Sunil Kothari,

Shri Samuel Christy and

Shri Vivek, Assistant Manager (Legal) all attended on

behalf of NDPL

Dates of Hearing: 28.04.2008, 15.05.2008

Date of Order

: 22.05.2008

ORDER NO. OMBUDSMAN/2008/254

The Appellant, Shri K.S. Arora, has filed this appeal against the 1. orders of the CGRF-NDPL dated 31.1.2008 in case CG No. 1560/12/07/MTN, stating that the submissions of the Appellant

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were not sympathetically heard by the CGRF and the matter was closed after passing orders that the bill has been correctly raised by the Respondent and dues are payable.

- 2. The facts of the case are as under:
 - The Appellant has an electricity connection for industrial use
 K. No. 33100122865 with a sanctioned load of 50 HP.
 - ON 3.12.1993 an inspection was carried out by the erstwhile DESU and it was found that the shunt capacitor was not in working order. A Show Cause Notice was issued by the Respondent regarding levy of a penalty on account of non installation of the shunt capacitor vide Show Cause Notice dated 8.12.1993. After putting the shunt capacitor in working order, a re-inspection fee was deposited by the Appellant vide receipt No. 259452 dated 24.12.1993.
- 3. After unbundling of the DVB, the Respondent (NDPL) suddenly included the arrears as a disputed amount under the head NTA (not to be added) in the bill of February 2003 and onwards. The Respondent never insisted for payment of the NTA amount from February 2003 till October 2005. In the January, 2006 bill, the disputed amount was suddenly transferred as arrears and a bill of

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Rs. 1,88,937/- was issued to the Appellant. On his representation, the Respondent started accepting the current consumption amount without including the arrears, which mainly included LPF charges. When the Respondent threatened disconnection, the Appellant filed a complaint before the CGRF on 14.11.2007 stating that he is being harassed without any fault on his part.

- 4. During the hearing before the CGRF on 17.1.2008, the Appellant stated that the complaint pertained to withdrawal of the penalty on account of LPF charges levied by the erstwhile DESU on the basis of an inspection in 1993. The CGRF directed the Appellant as well as the Respondent to furnish complete details of dues on 31.1.2008 i.e. the next date of hearing.
- 5. On 31.1.2008 the Appellant furnished copies of the following documents:
 - i) Record of Inspection carried out on 3.12.1993 indicating that the shunt capacitor installed against the connection was not in working order;
 - ii) Copy of the show cause notice dated 8.12.1993;



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- iii) Copy of the cash receipt dated 24.12.1993 indicating a deposit of Rs. 100.00; and
- iv) Copy of the letter dated 5.1.2007 addressed to the Senior Manager stating that since March 2006 the consumer was receiving excess bills and was depositing the current demand.
- 6. The CGRF observed that as per the records furnished by the Respondent, the penalty towards LPF has not been levied since April 2003. The payments for current demand raised were being made till April 2005. The Appellant stopped making regular payments from May 2005 onwards, and made adhoc payments resulting in an accumulation of dues of Rs.1,29,617/- as on 20.12.2007, which includes LPSC of Rs. 20,482/-. The Appellant has not specified his exact grievance and probably he has an objection to the application of tariff on KVAH basis. The CGRF decided that the bills have been raised correctly and the outstanding dues are payable. However, a sum of Rs. 20,482/-towards LPSC was waived off.

Not satisfied with the orders of the CGRF, the Appellant has filed this appeal.



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- 7. After scrutiny of the contents of the appeal, the CGRF's order and the replies submitted by both the parties, the case was fixed for hearing on 28.4.2008.
- On 28.4.2008, the Appellant was present in person. On behalf of 8. the Respondent, Shri Vivek, Assistant Manager (Legal) was present. In the written submissions on 26.3.2008, the Respondent has cited the orders of the CGRF stating that the penalty towards LPF has not been levied. The Respondent further submitted that keeping in view the inspection dated 3.12.1993, when the connected load of 46.3 KW was detected against the sanctioned load of 37.5 KW, the minimum guarantee charges of Rs.26,322/were charged for 8.85 KW excess load from 8.6.1993 (six months prior to date of inspection) to 8.3.1995. The current demand in the month of March 1995 was 9010.67 and the late payment charges were Rs. 13,137/-. Therefore, the amount of Rs. 48,471/- (MG -26,322/- + Current demand Rs. 9010.67 + LPSC 13,137.61) had been placed under NTA (not to be added account) as the disputed amount. Hence, there is no issue relating to levy of LPF charges. The insistence of the Appellant for withdrawal of LPF penalties is misconceived, and without any basis. A letter dated 24.4.2008 of

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the Commercial Manager, Distt. Moti Nagar of the Respondent, was produced during hearing proposing settlement with the Appellant. Shri Arora, the Appellant, agrees to arriving at a settlement. The Respondent requested for 14 days time for arriving at a settlement. This was agreed to and the case fixed for further hearing on 15.5.2008.

9. On 15.5.2008, the Appellant was present in person alongwith his Advocate Shri V.K. Goyal. The Respondent was present through Shri Vivek, Shri Sunil Kothari, Ms. Yamini Gogia and Shri Samuel Chirsty. Both the parties were heard. A letter dated 8.5.2008 from the Commercial Manager addressed to the Appellant informing him of the details of adjustment to be given on account of LPF withdrawal was taken on record. The details are as under:

Particulars	Amount (Rs.)
LPF for the period Jan. 94 to March 95	26322.72
Current demand for March 1995	9010.67
Total principal	35333.39
Add : LPSC	13137.61
Total amount transferred to the NTA	48471.00
Chargeable one month LPF & current demand from the Appellant	10010.00
Net credit adjustment (to be adjusted in the regular bill	38461.00

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The Respondent further reiterated that a credit amount of Rs.38461/- will be adjusted in the Appellant's future bills on account of withdrawal of LPF.

- 10. As per the details given in the above letter of the Respondent, LPF was earlier charged for the period January 1994 to March 1995, whereas in their written submissions, the Respondent had earlier stated that there was no issue relating to charging of LPF and only MG has been charged. In the settlement proposed, the current demand for March 1995 and LPF charges only for one month have been levied, amounting to Rs.10,010/-. Accordingly, out of the total NTA amount of Rs. 48,471/- a net credit of Rs. 38,461/- is proposed to be given. During the hearing the Appellant accepted the settlement proposed in this letter of the Commercial Manager.
- 11. It is observed that the Respondent had included the NTA amount of Rs. 48,471/-, as the payable amount in the January 2006 bill of the Appellant, without informing him of the details.

Perhaps the details were not known to the Respondent also and they did not care to find out the details of the NTA amount of Rs.48,471/- and these full details were not placed before the

CGRF. Thus, undue harassment has been caused to the Appellant for years together. It is noted that the Respondent had not also taken any action after the deposit of the reinspection fee on 24.12.1993. The NDPL have now come out with the factual position and have realized their mistake and have therefore offered a settlement. For undue harassment caused to the Appellant, a token compensation of Rs. 2,000/- is allowed to the Appellant, to be paid by cheque within 7 days of this order.

12. The CGRF's order is modified to the extent indicated above in paras 10 and 11. The relief on LPSC already granted by the CGRF is in order and will be given as already ordered.

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SUMAN SWARUP) OMBUDSMAN