

**COURT OF THE LOK PAL (OMBUDSMAN),
ELECTRICITY, PUNJAB,
PLOT NO. A-2, INDUSTRIAL AREA, PHASE-1,
S.A.S. NAGAR (MOHALI).**

APPEAL No. 26/2021

Date of Registration : 10.03.2021

Date of Hearing : 07.04.2021

Date of Order : 09.04.2021

Before:

**Er. Gurinder Jit Singh,
Lokpal (Ombudsman), Electricity, Punjab.**

In the Matter of:

M/s. A. K. Alloys (P) Ltd.,
Village-Gounspura,
Ludhiana Road, Malerkotla-148023.

Contract Account Number: 3002309921

...Appellant

Versus

Senior Executive Engineer,
DS Division, PSPCL, Malerkotla.

...Respondent

Present For:

Appellant: Sh. Parvesh Chadha,
Appellant's Representative.

Respondent : Er. Aamir Ashraf,
Senior Executive Engineer,
DS Division,
PSPCL, Malerkotla.

Before me for consideration is an Appeal preferred by the Appellant against the decision dated 10.02.2021 of the Consumer Grievances Redressal Forum (Forum), Patiala in Case No. CGP-15 of 2021, deciding that:

“The Petitioner has been rightly charged under PIU category by the Respondent and as such, the Petitioner is not entitled for any refund on account of difference of Tariffs in case of PIU & mixed category load.”

2. Registration of the Appeal

A scrutiny of the Appeal and related documents revealed that the Appeal was received in this Court on 10.03.2021 i.e. within the stipulated period of thirty days of receipt of the decision dated 10.02.2021 of the CGRF, Patiala in Case No. CGP-15 of 2021. The Appellant was not required to deposit the requisite 40% of the disputed amount, which was on account of refund of billing under PIU category. Therefore, the Appeal was registered and copy of the same was sent to the Addl. Superintending Engineer/ DS Division, PSPCL, Malerkotla for sending written reply/ parawise comments with a copy to the

office of the CGRF, Patiala under intimation to the Appellant vide letters nos. 289-291/OEP/A-26/2021 dated 10.03.2021.

3. Proceedings

With a view to adjudicate the dispute, a hearing was fixed in this Court initially on 31.03.2021 at 11.15AM and an intimation to this effect was sent to both the sides vide letter nos. 425-26/OEP/A-26/2021 dated 30.03.2021. However, on the request of the Appellant's Representative vide e-mail dated 30.03.2021, the said hearing was deferred to 07.04.2021 at 12.00 Noon and intimation to this effect was sent to both the sides vide letter nos. 450-51/OEP/A-26/2021 dated 30.03.2021. As rescheduled, the hearing was held on 07.04.2021 in this Court on the said date and time. Copies of the minutes of the proceedings were sent to the Appellant and the Respondent vide this office letter nos. 512-13/OEP/A-26/2021 dated 07.04.2021.

4. Submissions made by the Appellant and the Respondent

Before undertaking analysis of the case, it is necessary to go through written submissions made by the Appellant and reply of the Respondent as well as oral submissions made by the

Appellant's Representative and the Respondent alongwith material brought on record by both the sides.

(A) Submissions of the Appellant

(a) Submissions made in the Appeal

The Appellant made the following submissions in its Appeal for consideration of this Court:

- (i) The Appellant was having a Large Supply Category Connection, bearing Account No. 3002309921 with sanctioned load of 2249.546 kW and CD as 2495 kVA for its Induction Furnace. The connection to the Appellant was released on 27.01.1998 at 11 kV.
- (ii) The Appellant was being issued bills regularly and the same were being deposited by the Appellant in full and there was no outstanding. The Appellant was being issued bills on CD and kVAh consumption basis as per tariff issued by PSPCL and approved by PSERC. The Appellant was being issued bills by ignoring clauses of Tariffs since 2016 to date.
- (iii) SI 3.5 under Schedule of LS Tariff of General Conditions of Tariff provides as under: -

“For Arc/ PIU industries, where the load is of mixed nature, i.e. in addition to Arc/ Power Intensive loads, General Industrial loads are also running, monthly minimum charges shall be determined by computing the contract demand on prorata basis in proportion to such loads duly sanctioned by the load sanctioning authority. In such cases, Power Intensive loads shall comprise of loads as mentioned in para SI 3.2, including auxiliary loads, loads of pollution control machinery, gas plants & corresponding lighting loads and general industrial loads in such cases shall comprise loads of rolling mills and its allied loads, related workshop, general engineering machinery and corresponding lighting load, for the purpose of levy of monthly minimum charges.”

- (iv) The above clause had remained same in CC No. 26 of 2016, CC No. 46 of 2017, CC No. 23 of 2018, CC No. 29 of 2019 and CC No. 12 of 2020.
- (v) The Appellant was fulfilling the clause as it was having Induction Furnace load and mixed load but since 2016, billing was being issued on Furnace load/ CD. No separation of load was got done, which was mandatory when the clause was

introduced in the Tariff Order. Due to deficiency in services of the Respondent, the overbilling was done and the Appellant was paying the same.

- (vi) The Appellant claimed refund of excess billing of MMC/ fixed charges & Tariff difference paid due to deficiency in services of the Respondent.
- (vii) The Forum had decided the case without going through the points raised by the Appellant in its petition, rejoinder and oral discussions in the Forum.
- (viii) The Appellant was not supplied copy of A&A form of the sanctioned load. It was demanded during the proceedings of the Forum that copy of the letter be supplied vide which, it was given to the Appellant but the Forum totally ignored the demand. The Appellant was in good faith that the load would remain as applied and accordingly, the test report was submitted for obtaining the connection. In the absence of the copy of sanctioned A & A, nobody can know as to whether the bifurcation of load was made or not. There was deficiency on the part of the Respondent and excess billing was done and recorded. The ESIM Instruction No. 25.3 was clear that PSPCL would provide the photocopies of Agreement to LS consumers

by obtaining acknowledgement and in compliance, the Respondent should produce the same. The relevant clause was reproduced as under:

25.3 A photocopy of accepted A&A form/ agreement shall be supplied to the consumer on payment of Rs. 5/- per copy, if so requested by him. As far as possible photocopies of the agreement shall be made available to the Medium, Large, Bulk Supply, Railway Traction and Street Lighting consumers after obtaining their acknowledgement.

Load sanctioning authority shall supply a photocopy of sanctioned and accepted A&A Form in case of MS/LS/BS/RT/SL and DS/ NRS (exceeding 100kW) consumers to Centralized Billing Offices.

- (ix) It was pointed out that Appellant had not objected till date about PIU and General Load and had not applied for the bifurcation of load till date. The excess billing was done on total load but the Appellant could not claim. The question was that any objection could only be raised for wrong billing if the Appellant had knowledge about the facts. As and when, it came to the knowledge of the Appellant, the Appellant filed its claim

and the Respondent was convinced with the plea of the Appellant.

- (x) It was cleared vide clause no. (viii) of CC No. 23 of 2018 issued on 24.04.2018 to charge billing on pro-rata basis. No notice was issued to the Appellant to submit the detail of load of General & Induction Furnace. The Centralized Billing Cell of the Respondent had not called for load details while implementing CC No. 23 of 2018.
- (xi) There was no instruction in ESIM, Supply Code that which type of load was general load & which includes auxiliary load. The Respondent had sanctioned the total load in PIU and the Appellant was not at fault. The A & A Form was not having separate column to be filled for PIU & General Load and similar was the position in test report forms. The Forum had not decided the case properly and was in a hurry to decide the case in favour of the Respondent.
- (xii) The Forum had not provided copy of A & A to the Appellant and ignored the demand of the Appellant.
- (xiii) The detail of PIU & General Load was submitted before the Forum during proceedings of the case in rejoinder as PIU = 2024 kW, auxiliary load=109.610 kW and general load =

115.938 kW. The billing of the Appellant is required to be revised on pro-rata base as per this bifurcated load.

- (xiv) The excess billed amount should be refunded by applying pro-rata base factor as given in CC No. 23/2018 by setting aside the order of the Forum.

(b) Submissions in the Rejoinder

In its rejoinder to written reply, the Appellant's Representative made the following submissions:

- (i) It was correct that no fee was deposited for obtaining copy of A & A. As per A & A form supplied during the proceeding in the Forum, the Appellant noted that the total load was sanctioned under PIU and there was no bifurcation of load of Furnace and General load but the Appellant had applied this load separately as mentioned in A & A forms at the time of applying for extension in load on 21.06.2003 from 1900 kW to 2249.596 kW. The A & A, Test Report are attached with the appeal at cp-25 to 28. The detail of Furnace, Auxiliary and General load was attached separately. The concerned SDO verified the same on 15.09.2003. The Respondent also attached these documents with the reply. Thus the reply of the Respondent was wrong and denied. The Appellant was not at

fault. The load sanctioning authority had wrongly sanctioned the load without bifurcation.

- (ii) It was correct that the Tariff Orders are issued and uploaded on web site but the PSPCL failed to implement the CC-23 of 2018 issued on 24.04.2018. The tariff of the FY-2018-19 was itself clear to implement the billing of PIU & General Load on pro-rata base.
- (iii) The question was under which instruction, it was clearly mentioned about loads of General and Auxiliary category. It was simply replied that the detail was mentioned in tariff circular of mixed nature. The proper reply was needed from the Respondent.
- (iv) The detailed load with detail of General and auxiliary load was submitted with A & A Forms and Test reports and both test reports were verified before release of connection/extension. These documents were given with the reply in the Forum during the proceedings of the case. The exact detail was available therein.
- (v) It was prayed that excess billing charged be refunded to the Appellant.

(c) Submission during hearing

During hearing on 07.04.2021, the Appellant's Representative reiterated the submissions made in the Appeal and prayed to allow the same.

(B) Submissions of the Respondent

(a) Submissions in written reply

The Respondent submitted the following written reply for consideration of this Court:

- (i) The Appellant was having a Large Supply Category Connection, bearing Account No. 3002309921 with sanctioned load of 2249.546 kW and CD as 2495 kVA.
- (ii) The Appellant had neither demanded copy of approved/sanctioned load of A & A form nor deposited any payment of ₹ 5/- per copy as specified in ESIM instruction no. 25.3. The Appellant had itself filled load on A & A form and the same had been approved by the Respondent. Bifurcation of the load needed to be made by the Appellant itself while submitting A & A form.
- (iii) The PIU tariff and General Industry tariff used to be declared from time to time in the Tariff Order and used to be uploaded

on the website of the Respondent. The details about PIU Industry and General Industry was also specified in Annexure-II of Schedule of Tariff in Tariff Order.

- (iv) The billing on pro-rata basis was to be charged only for ARC/ PIU Industries where load was of mixed nature. As already stated above, these details were available in each Year's Tariff Order (Annexure-II of Schedule of Tariff) and were available openly on Respondent's Website, which was/ is in public domain. If the Appellant had load of mixed nature, then it was its responsibility to submit fresh test report.
- (v) In the ESIM, under Annexure-B, Schedule of Tariff SI 3.6 had specified that which load was Power Intensive load and which was General Industrial Load.
- (vi) The Appellant had never demanded copy of A & A form of duly approved load and the test report produced before the Forum by the Respondent had indicated the load details of the Appellant.
- (vii) The load of 115.938 kW claimed by the Appellant as General load in the rejoinder before the Forum, falls under the definition of auxiliary load and corresponding lighting load which

according to SI 3.6 would be counted under Peak Intensive Industry load category.

- (viii) There was no need to revise billing and no refund was allowable to the Appellant.
- (ix) It was prayed that the Appeal of the Appellant be dismissed.

(b) Submission during hearing

During hearing on 07.04.2021, the Respondent reiterated the submissions made by it in the written reply and requested for dismissal of the Appeal of the Appellant.

5. Analysis and Findings

The issue requiring adjudication is the legitimacy of charging of disputed amount of ₹ 21,22,948/- for the period from 14.06.2016 to 31.10.2020 on account of billing as per tariff under PIU category and claim for refund thereof by bifurcation of load under PIU and General category separately.

My findings on the points emerged, analysed and deliberated are as under:

- (i) The Appellant's Representative contended that it was correct that no fee was deposited for obtaining copy of A & A. As per

A & A form supplied during the proceeding in the Forum, the Appellant noted that the total load was sanctioned under PIU and there was no bifurcation of load of Furnace and General load but the Appellant had applied this load separately as mentioned in A & A forms at the time of applying for extension in load on 21.06.2003 from 1900 kW to 2249.596 kW. The A&A, Test Report were attached with the appeal at cp-25 to 28. The detail of Furnace, Auxiliary and General load was attached separately. The concerned SDO verified the same on 15.09.2003. The Respondent also attached these documents with the reply. Thus the reply of the Respondent was wrong and denied. The Appellant was not at fault. The load sanctioning authority had wrongly sanctioned the load without bifurcation. It was correct that the Tariff Orders were issued and uploaded on web site but the PSPCL failed to implement the CC-23 of 2018 issued on 24.04.2018. The tariff of the FY-2018-19 was itself clear to implement the billing of PIU & General Load on pro-rata base. The question was under which instruction, it was clearly mentioned about the load of General and auxiliary category. It was simply replied that the detail was mentioned in tariff circular of mixed nature. The

proper reply was needed from the Respondent. The detailed load was as per detail of General and Auxiliary load submitted with A & A Forms and Test reports and both test reports were verified before release of connection/extension. These documents were given with the reply in the Forum during the proceedings of the case. The exact detail was available therein. It was prayed that excess billing charged be refunded to the Appellant.

- (ii) The Respondent, in its defence, stated that the Appellant was having a Large Supply Category Connection, bearing Account No. 3002309921 with sanctioned load of 2249.546 kW and CD as 2495 kVA. The Appellant had neither demanded copy of approved/ sanctioned load on A & A forms nor deposited any payment of ₹ 5/- per copy as specified in ESIM instruction no. 25.3. The Appellant had itself filled load on A & A form and the same had been approved by the Respondent. Bifurcation of the load needed to be made by the Appellant itself while submitting A&A form. The PIU tariff and General Industry tariff used to be declared from time to time in the Tariff Order and used to be uploaded on the website of the Respondent. The details about PIU Industry and General Industry was also

specified in Annexure-II of Schedule of Tariff in Tariff Order. The billing on pro-rata basis was to be charged only for ARC/ PIU Industries where load was of mixed nature. As already stated above, these details were available in each Year's Tariff Order (Annexure-II of Schedule of Tariff) and were available openly on Respondent's Website, which was/ is in public domain. If the Appellant had load of mixed nature, then it was its responsibility to submit fresh test report. In the ESIM under Annexure-B Schedule of Tariff, SI 3.6 had specified that which load was Power Intensive load and which was General Industrial load. The Appellant had never demanded copy of A&A form of duly approved load and the test report produced before the Forum by the Respondent had indicated the load details of the Appellant. The load of 115.938 kW claimed by the Appellant as General load in the rejoinder before the Forum, falls under the definition of auxiliary load and corresponding lighting load which according to SI 3.6 would be counted under Peak Intensive Industry load category. There was no need to revise billing and no refund was allowable to the Appellant.

- (iii) As per evidence on record, an A & A dated 21.02.1997 was signed by S.E/DS, Circle, Sangrur, Senior Xen, AEE/DS/S/D and Representative of the Appellant's unit. The agreement was approved by the C.E/Commercial, PSEB, Patiala. In the aforesaid agreement, the following values were mentioned: Contacted Load=1900 kW, Contract Demand=2235 kVA, Transformer Capacity= 2280 kVA and Type of Industry=Induction Furnace. Subsequently, A & A dated 16.06.2003 was signed between Dy. C.E, DS, Circle, Sangrur, Senior Xen/ DS, AE/DS/S/D City, and Representative of Appellant's unit. In the aforesaid agreement, the following values were mentioned: Contacted Load=2249.596 kW, Contract Demand=2495 kVA, Transformer Capacity= 2500 kVA and Type of Industry=Induction Furnace. The Appellant had deposited ACD/Security (Consumption) in PIU category as intimated by the Respondent.
- (iv) It is observed that the aforesaid A & A forms were signed before circulation/publicity of Tariff Orders for FY 2016-17, 2017-18, 2018-19, 2019-20 and 2020-21 vide CC Nos. 26/2016, 47/2017, 24/2018, 25/2019 and 28/2020. The above cited Tariff Orders were circulated and uploaded on the

websites of PSPCL/PSERC for wide publicity. Accordingly, at the time of submission of A & A form for release of its connection (after Feasibility Clearance) for load/CD (under PIU category), the Appellant became aware that it had applied for and agreed to the sanction of load/CD under PIU category (as per A & A form signed on 16.06.2003). But, the consumer never submitted any request in writing or fresh A & A Form for bifurcation of load as of mixed nature if it had mainly General Industrial Load as per relevant provisions of General Conditions of Tariff and Schedules of Tariff.

- (v) It is also observed that the Appellant did not point out in writing any instance of excess billing due to charging of Tariff as per PIU category load to the Respondent on receipt of regular energy bills from PSEB/PSPCL. Rather, the Appellant continued to pay the bills issued to it regularly by PSEB/PSPCL without any objection / challenge.
- (vi) There is merit in oral and written submissions of the Respondent that Large Supply Connections were applied by the Consumers with the relevant documents and a copy of these documents was to be retained by the Consumers. The Appellant, being a Large Supply Category Consumer, must

keep record of all documents submitted to the Respondent and maintain a separate LS connection file. Copies of bills/ receipts of securities etc. were preserved by the Consumers for accounting and other purposes. Moreover, one copy of A & A Forms and other documents were given to the Consumers by the Respondent. The Appellant had already attached concerned / relevant documents with its petition submitted in the Forum.

- (vii) The Appellant's Representative contended that the Appellant was not supplied copy of A&A form of the sanctioned load. It was demanded during the proceedings of the Forum that copy of the letter be supplied vide which it was given to the Appellant but the Forum totally ignored the demand. The Appellant was having a good faith that the load would remain as applied and accordingly, the test report was submitted for obtaining the connection. In the absence of the copy of sanctioned A & A form, nobody could know whether the bifurcation of load was made or not. There was deficiency on the part of the Respondent and excess billing was issued / recorded. The ESIM Instruction No. 25.3 was clear that PSPCL would provide the photocopies of Agreement to LS consumers

by obtaining acknowledgement and in compliance, the Respondent should produce the same.

In this connection, it is worthwhile to peruse the Instruction No. 25.3 of ESIM 2018 which reads as under:

“25.3 A photocopy of A&A form/agreement shall be supplied to the consumer on payment of Rs. 5/- per copy, if so requested by him. As far as possible photocopies of the agreements shall be made available to the LS, MS, BS, RT and SL consumers after obtaining their acknowledgement.

Load sanctioning authority shall forward a photocopy of sanctioned and accepted A&A Form to centralized billing office where billing is not done in the sub division.”

The Appellant's Representative, in its rejoinder to written reply, confirmed that it had not deposited the requisite fee of ₹ 5/- per copy for obtaining photocopies of sanctioned A & A forms from the Respondent and he had not even given any request in writing in this regard to the Respondent. In view of the above, the contention of the Appellant's Representative regarding non supply of sanctioned A & A forms does not hold good.

(viii) It is observed that the Appellant had misunderstood the instructions contained in General Conditions of Tariff and Schedule of Tariff relating to the Tariff Orders for FY 2016-17, 2017-18, 2018-19, 2019-20 and 2020-21 whose perusal revealed that billing on the basis of PIU load and General Load in proportion to it was only to be applied where General and PIU load had been separately sanctioned by the Load Sanctioning Authority in the A & A Form. In the present case, the whole load was sanctioned by the Load Sanctioning Authority under PIU Category and billing was done correctly.

(ix) The Appellant's Representative, in its rejoinder, admitted that all the Commercial Circulars issued by PSPCL are available on its website and are in public domain but stated that their implementation was not done correctly.

The Court observed that the Tariff Order issued by PSERC are available on the websites of PSERC as well as PSPCL. Wide publicity was also given in the press about tariff rates approved by PSERC in respect of various categories of the consumers. The Appellant, being LS consumer, cannot say that he was ignorant about tariff orders/regulations relating to tariff matters. There was no need to issue separate notice to each consumer

informing about changes in tariff structure. Each consumer had to take appropriate action for getting any benefit given in the tariff orders of the PSERC. The Appellant failed to take timely appropriate action to pin point any instance of incorrect implementation of Tariff Order. Further, he also failed to apply for bifurcation of PIU & General Load by submitting revised A & A forms so as to obtain the approval of bifurcated load from the Load Sanctioning Authority.

- (x) The averments made by the Appellant particularly in rejoinder to written reply and during hearing on 07.04.2021 (specifically that the Appellant was not at fault and that the load sanctioning authority had wrongly sanctioned the load without bifurcation) are not convincing and not sustainable. Ever since release of the Appellant's LS category connection, it did not point out in writing that bifurcation of load applied for by it had not been reflected in the bills which in turn, were paid regularly. LS category consumer is expected to be sincere, responsible and vigilant in discharging its obligations instead of incorrectly pointing out lacunae in the working of the distribution licensee. Thus, the Appellant cannot absolve itself of the responsibility

and liability for the disputed amount billed to it as per instructions of PSPCL/PSERC.

(xi) From the above analysis, it is concluded that the entire load of the Appellant was sanctioned by the Competent Authority under PIU category. The Appellant had not submitted new A & A Forms by bifurcating the PIU load & General Load. Further, the Appellant did not file any objection to charging it as per PIU load in terms of instructions contained in SI 3.5/3.6 of General Conditions of Tariff and Schedules of Tariff for FY 2016-17, 2017-18, 2018-19, 2019-20 and 2020-21. It proved that the total load of the Appellant falls under PIU category and there was no other general industry (General Load) except PIU load. The proportionate billing of PIU and general tariff was to be done only if it was separately sanctioned in the A & A Form by the Load Sanctioning Authority as per provisions referred to above. Thus, the Forum rightly decided that the Appellant was not entitled for any refund on account of billing done by the Respondent.

(xii) The allegation of deficiency of service in this case is not just and fair. As such, the claim of the Appellant regarding refund of disputed amount (₹ 21,22,948/-) already paid in the bills

without any challenge is devoid of merit and is hereby rejected after due consideration of all the facts/documentary evidence of the case.

6. Decision

As a sequel of above discussions, the order dated 10.02.2021 of the CGRF, Patiala in Case No. CGP-15 of 2021 is upheld. The Appellant is at liberty to submit fresh/ revised A & A forms to the Licensee (PSPCL) so as to obtain the approval/ sanction of Load Sanctioning Authority of PSPCL in respect of PIU and General Load separately if it wants to get the benefit of tariff rates in future.

7. The Appeal is disposed of accordingly.
8. As per provisions contained in Regulation 3.26 of Punjab State Electricity Regulatory Commission (Forum and Ombudsman) Regulations-2016, the Licensee will comply with the award/ order within 21 days of the date of its receipt.
9. In case, the Appellant or the Respondent is not satisfied with the above decision, it is at liberty to seek appropriate remedy against this order from the Appropriate Bodies in accordance

with Regulation 3.28 of the Punjab State Electricity Regulatory Commission (Forum and Ombudsman) Regulations-2016.

April 09, 2021
S.A.S. Nagar (Mohali)

(GURINDER JIT SINGH)
Lokpal (Ombudsman)
Electricity, Punjab.

