A consumer is the important visitor on our premises. He is not dependent on us. We are dependent on him. -Mahatma Gandhi



# TAMIL NADU ELECTRICITY OMBUDSMAN

4<sup>th</sup> Floor, SIDCO Corporate Office Building, Thiru-vi-ka Industrial Estate, Guindy, Chennai – 600 032. Phone : ++91-044-2953 5806,044-2953 5816Fax : ++91-044-2953 5893 Email :<u>tneochennai@gmail.com</u> Web site : <u>www.tnerc.tn.gov.in</u>

# Before The Tamil Nadu Electricity Ombudsman, Chennai <u>Present :Thiru. N.Kannan, Electricity Ombudsman</u>

# A.P.No. 02 of 2025

Tmty. Saroja Eswarasamy, W/o. S. Eswarasamy, 109/3, Oor Gounder Thottam, Kurunallipalayam, Kinathukadavu, Coimbatore – 642109.

(Tmty Saroja Eswarasamy)

Vs.

The Executive Engineer/O&M/Negamam Coimbatore Electricity Distribution Circle/ South, TNPDCL, 110/22 KV Negamam Power House Campus, Negamam-642 102.

> .... Respondent (Thiru N.A. Shankar, EE/O&M/Negamam)

## Petition Received on: 02-01-2025

### Date of hearing: 06-02-2025

### Date of order: 13-02-2025

The Appeal Petition received on 02.01.2025, filed by Tmty. Saroja Eswarasamy, W/o. S.Eswarasamy, No.109/3, Oor Gounder Thottam, Kurunallipalayam, Kinathukadavu, Coimbatore – 642109 was registered as Appeal Petition No. 02 of 2025. The above appeal petition came up for hearing before the Electricity Ombudsman on 06.02.2025. Upon perusing the Appeal Petition, Counter affidavit, written argument and the oral submission made on the hearing date from both the parties, the Electricity Ombudsman passes the following order.

## <u>ORDER</u>

# 1. <u>Prayer of the Appellant:</u>

The Appellant has prayed for a new agricultural service connection applied for under RSFS and requested the restoration of the canceled demand notice to enable payment.

# 2.0 Brief History of the case:

2.1 The Appellant has prayed for a new agricultural service connection applied for under RSFS and requested the restoration of the canceled demand notice to enable payment.

2.2 The Respondent has stated that the 120-day period, likely required for a special category of service under "RSFS Rs.50,000/-", expired on 21.09.2024. Therefore, the applicant's request to consider their application under the RSFS Rs.50,000/- category is not feasible. The application will be moved to the normal category and kept pending until the service connection is effected under the normal category.

2.3 Not satisfied with the Respondent's reply, the Appellant filed a petition with the Consumer Grievance Redressal Forum (CGRF) of Coimbatore EDC/South on 21.10.2024.

2.4 The CGRF of Coimbatore EDC/South has issued an order dated 09.12.2024. Aggrieved over the order, the Appellant has preferred this appeal petition before the Electricity Ombudsman.

# 3.0 Orders of the CGRF :

3.1 The CGRF of Coimbatore EDC/South issued its order on 09.12.2024. The relevant portion of the order is extracted below: -

# <u>"Order:</u>

"As per TNPDCL rules, the applicant is permitted to pay the amount under RSFS category within 120 days from the date of receipt of notice by the applicant. In this case the demand notice served through RPAD had been received by petitioner's

neighbour Thiru. Sathishkumar on 25.05.2024. Since 120 days period has expired on 21.09.2024, the applicant's request to consider his application under RSFS 50000 category is not feasible and the application will be moved to normal category."

### 4.0 <u>Hearing held by the Electricity Ombudsman:</u>

4.1 To enable the Appellant and the Respondent to put forth their arguments, a hearing was conducted on 06.02.2025 through video conferencing.

4.2 The Appellant Tmty. Saroja Eswarasamy attended the hearing and put forth her arguments.

4.3 The Respondent Thiru N.A. Shankar, EE/O&M/Negamam of Coimbatore Electricity Distribution Circle/ South attended the hearing and put forth his arguments.

4.4 As the Electricity Ombudsman is the appellate authority, only the prayers which were submitted before the CGRF are considered for issuing orders. Further, the prayer which requires relief under the Regulations for CGRF and Electricity Ombudsman, 2004 alone is discussed hereunder.

## 5.0 <u>Arguments of the Appellant</u>:

5.1 The Appellant has stated that according to her plea, they have been waiting ardently for the agriculture service line, requested under App. Ref 3540817587 on 21.08.2017. The approval of the connection under RSFS 50000 category came in a letter while she was on an international trip (passport copy attached as proof). She did not receive this letter, and so she was not able to pay the amount in the said 120 days' time. But her local EB office and CGRF says, though the letter was not given to her, it was handed over to someone else and the clock for 120 days started, and it is unfortunately over now. This doesn't seem fair to her at all, as she was neither in the country nor was made aware of this letter.

5.2 The Appellant has stated that TNEB law says, the amount mentioned in the approval letter should be paid within 120 days of the "applicant" receiving the letter. Herself, Saroja Eswarasamy, being the "applicant" of this service, did not receive the

letter within the said 120 days duration. So, she was not able to pay the amount in the said 120 days' time.

5.3 The Appellant has requested to check her proof and considered this as an exception to the 120-day rule and provide her an opportunity to pay the amount and get the service under RSFS 50000 category. She will pay the amount immediately. This service will be thankfully used for their farming needs, and they will be forever grateful for the positive judgment given to them.

#### 6.0 Arguments of the Respondent:

6.1 The Respondent has submitted that the Appellant registered an Agriculture application under normal category for seeking agriculture service connection at S.F.No:109/3, Kurunallipalayam village on 21.08.2017 vide Registration No: 221/2017-18 Dated: 21.08.2017 (Computerized application No:3540817587). She has given option for R-SFS RS. 50000/- scheme and to maintain the seniority the Appellant paid fee of Rs.500/- on same day.

6.2 The Respondent has submitted that during 2021-2022 financial year, for Rs.500/- paid cases (from 01.04.2013 to 31.03.2018) in respect of RSFS Rs.50,000/- scheme target has been received to buildup ready parties and thereby Respondent sent an intimation on 24.12.2021 to produce latest revenue document for preparation of estimate.

6.3 The Respondent has submitted that Appellant has produced the latest revenue documents on 06.01.2022 to the Assistant Engineer, O&M, East, Kinathukkadavu section office and estimate was prepared by concerned section officer. Estimate sanctioned by the Assistant Executive Engineer, O&M, Kinathkkadavu vide Sanction no: 14.626/A33/SFS R II-322/2023-24 Dated: 17.02.2024.

6.4 The Respondent has submitted that based on the estimate sanction, the Respondent has issued 30 days notice vide க .எண். செ.பொ / இ.பே / நெகமம / தொ.நு.உ.1/ க. சுயநிதி/ வி.எண்: 743–5/–24, நாள்: 17.05.2024 through RPAD

with ACK to pay the estimate cost of Rs.80,130/- (Rupees Eighty Thousand One Hundred and Thirty Only) to buildup ready party. The notice was received by one Thiru.Sathish Kumar on 25.05.2024 and acknowledgement for having receipt of notice was obtained from postal department to Respondent office 03.06.2024. Later date it is came to known that Thiru Sathishkumar is neighbour to the applicant but after the expiry of 120 days, the Appellant approached for making payment of estimate cost. As per TNPDCL's instruction only 120days is permitted to make payment of estimate cost under RSFS scheme from the date of receipt of demand notice and this junction it could not be possible to make payment by be applicant.

6.5 The Respondent has submitted that under such circumstances, the Appellant neither come forward to pay the estimate charges within 30 days from the date of receipt of notice nor to seek further time extension as stipulated in the notice. The TNPDCL's instruction vide SE/IEMS/EE8/AEE2/V.40/D.202/98. (Tech. Branch) Dated: 27.03.1998, clearly stated that "In Total 120days from the date of first notice, only has to be given for payment of the amount, otherwise the application has to be cancelled".

6.6 The Respondent has submitted that as per the above instruction, from the date of receipt of first 30 days notice, another 30days time extension approval will be given by respective Executive Engineer, O&M and thereafter, further period of 60 days time extension will be approved by concerned Superintending Engineer, O&M. Together total period of 120 days will be permitted to make estimate cost by the applicant. By considering the fact total 120 days has expired on 21.09.2024 itself from the date of receipt of demand notice acknowledgement on 25.05.2024.

6.7 The Respondent has submitted that since, 120 days period has expired on 21.09.2024, the applicant's request to consider his application under RSFS 50,000/- category is not feasible and the application will be moved to normal category and kept pending until effecting of service connection under normal category.

### 7.0 Findings of the Electricity Ombudsman:

7.1 I have heard the arguments of both the Appellant and the Respondent.

Based on the arguments and the documents submitted by them, the following are the issues to be decided.

7.2 The Appellant contends that despite their earnest efforts to obtain an agricultural service line, their application dated 21.08.2017, has not materialized due to an issue surrounding the receipt of an approval letter. The Appellant highlights that while the connection approval under the RSFS Rs.50,000/- category was communicated through a letter, they were on an international trip at the time. A passport copy has been attached as proof of the travel period. Consequently, they were unaware of the letter's issuance and unable to make the required payment within the stipulated 120 days.

7.3 The Appellant argues that, according to information from the local EB office and CGRF, the approval letter was handed over to someone other than the Appellant, which marked the start of the 120-day period. The Appellant finds this unfair as they were neither in the country nor informed of the communication. Further, the Appellant refers to the legal provision of TNEB, which specifies that the 120-days payment period starts when the "applicant" receives the approval letter. Since the Appellant, Saroja Eswarasamy, being the rightful applicant, did not personally receive the letter, they argue that the stipulated period should not have commenced, rendering the denial of service unjust.

7.4 The Appellant requests that the provided proof be considered and that an exception be made to the 120-days rule. They express a willingness to pay the required amount immediately and urge the authorities to grant them the service under the RSFS Rs.50,000/- category, which will support their agricultural activities.

7.5 The Respondent contends that the Appellant initially registered an agricultural service application under the normal category on 21.08.2017 and subsequently opted for the RSFS Rs.50,000/- scheme while paying a fee of Rs.500 to maintain seniority. During the 2021-2022 financial year, instructions were issued to proceed with cases filed between 01.04.2013 and 31.03.2018 under this scheme. As part of

this process, the Respondent sent an intimation to the Appellant on 24.12.2021, requesting updated revenue documents for the preparation of an estimate.

7.6 The Appellant submitted the required documents on 06.01.2022, following which an estimate was prepared and sanctioned on 17.02.2024. Based on this sanction, the Respondent issued a 30-day notice dated 17.05.2024, through RPAD with acknowledgment, directing the Appellant to pay the estimate cost of Rs.80,130 to qualify as a ready party. The notice was reportedly received by one Thiru Sathish Kumar, a neighbor of the Appellant, on 25.05.2024, with acknowledgment obtained from the postal department on 03.06.2024.

7.7 The Respondent asserts that despite this communication, the Appellant failed to make the payment within the stipulated 30 days or request an extension. The relevant TNPDCL instructions allow for a maximum of 120 days from the date of the first notice to complete the payment process. Specifically, the instructions permit a 30-days initial period followed by a 30-days extension to be approved by the Executive Engineer and an additional 60 days will be approved by the Superintending Engineer, amounting to a total of 120 days. The Respondent has submitted that under such circumstances, the Appellant neither come forward to pay the estimate charges within 30 days from the date of receipt of notice nor to seek further time extension as stipulated in the notice. The TNPDCL's instruction vide SE/IEMS/EE8/AEE2/ V.40/D.202/98. (Tech. Branch) Dated: 27.03.1998, clearly stated that "In total 120 days from the date of first notice, only has to be given for payment of the amount, otherwise the application has to be cancelled".

7.8 The Respondent highlights that the 120-days period expired on 21.09.2024, counting from the acknowledgment date of 25.05.2024. Since the deadline has lapsed, the Respondent argued that the Appellant's request to retain the application under the RSFS Rs.50,000/- category is not feasible. Consequently, the application will be moved to the normal category and kept pending until the service connection is effected under this category.

7.9 Under the above circumstances, I would like to discuss the TNERC Distribution Code 27(2) Requisitions for Supply of Energy. The relevant para is given below.

*"27. Requisitions for Supply of Energy:* 

(2)(a) Supply to Agricultural category: Application for supply to agriculture category shall be in Form 2 of Appendix – III. In respect of the agricultural category, this provision shall be governed by the directives issued by the Commission from time to time, on the basis of the guidance on this matter by the National Electricity Policy (as stipulated in sub section 4 under section 86 of the Act) and the policy directions in public interest given by the State Government under sub section (1) of section 108 of the Act.

(b) When the application is in order, it shall be registered with the seniority number by the registering authority and the applicant shall be informed of the seniority of registration in writing with proper acknowledgement from the applicant.

\*Digging of well/bore well shall not be insisted at the initial stage of registration in case the well/bore well is not existing already.\*

(c) As and when the applicant's turn comes in the order of seniority, the Licensee shall issue a 90 days' notice to the applicant to ascertain whether the particulars given in the application such as ownership of the existing or proposed well / bore well and land, S.F. No(s) are the same as on date. Proper acknowledgement from the applicant for having received the notice shall be obtained and preserved. Motor-pump set and capacitor shall not be insisted at this stage. After the well/bore well is made ready with installation and wiring of motor pump set, capacitor etc, the applicant shall enter the particulars with dated signature in the readiness register maintained in the Section office. As per dated seniority of such entry, the Section officer shall make field inspection for confirmation of the particulars and existence of the well / bore well and enter the same in the readiness register with his dated signature within three days.

The date of entering particulars in the readiness register by the applicant shall be reckoned as the seniority for preparing estimate. *xxx*"

7.10 The regulation provides guidance on handling agricultural service applications under the normal category, wherein the entire cost of the infrastructure required for the scheme is borne by the licensee. In the present case, the appellant after registering agriculture service connection under 'Normal' category has opted agri service connection under 'RSFS' (Revised Self-Financing Scheme). In this regard, the explanation given under regulation 27(2) of TNE Distribution Code is given below:

"Explanation: The procedure stipulated above is for normal category of Agricultural applications. Licensee shall formulate individual procedure for other categories, adopting the general procedural steps Stipulated in the above regulation."

From the above, it is noted that the procedure as stipulated in regulation 27(2) of TNE Distribution Code is applicable only for the Agricultural applications registered under normal category. For other schemes such as RSFS (in this case), the Licensee shall formulate individual procedures, adopting the general procedures Stipulated in the TNE Distribution Code.

7.11 Therefore, the Applicant who have registered application for new agriculture service connection under the normal category, instead of waiting, may opt for the Revised Self-Financing Schemes (RSFS) by selecting one of the payment options viz. Rs 10,000 / Rs 25,000 / Rs 50,000 depending on the target and guidelines fixed by the licensee.

7.12 In this context, Regulation 5 of the TNE Distribution Standard of Performance regulations which is squarely applicable to the present case is extracted below.

"5. Exceptions on Duty to Supply for Agricultural and Hut Services: The provision under Section 43 of the Act is, however, not applicable in the case of agricultural and hut services, which shall be governed by the directives issued by the Commission from time to time, based on the guidance provided by the National Electricity Policy (as stipulated in Section 86(4) of the Act) and the policy directions issued in the public interest by the State Government (as stipulated in Section 108 of the Act)."

Therefore, for agricultural services other than the normal category, the rules to be followed will be based on the instructions issued by the licensee from time to time. The said rules / guidelines issued by the licensee vide Memo. No. SE/IEMS/EE8/AEE2/V.40/D.202/98. (Tech. Branch) Dated: 27.03.1998 is extracted below:

The perusal of the Annual Statement of Accounts for 1996-97 revealed that In some circles, there svast difference between the value of materials stock as per the Balance Sheet and the value of stock as the inventory Return for the Quarter ended 31.3.'97.

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It may therefore be verified and confirmed that value of stock was revised whenever the Standard as were revised previous by.

Receipt of this letter may be acknowledged.

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Chief Financial Controller/General.

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icular No. 723/97/X/T/A1, (Accounts Branch) Dt. 26.3.98.

Sub : Tenders - Delay In delivery - Liquidated Damages - Contract price - defined. Ref : CE/Distn/Villupuram's Lr. No. CE/D/VPM/AEE/MM/F.Inspn/D.497/97, Dt. 4.10.97.

In his letter under reference, the Chief Engineer/ Distribution/Villupuram has raised a point for larification as to whether the L,D. to be levied on the contract price with reference to T.R. No. 10.7 (a) houd be only on the ex, factory price of the material or on price including Excise Duty, Sales Tax and other tautory levies, freight and insurance charges for FOR (D) delivery.

The term 'contract price' occuring in T.R. No.10.7 (a) would mean the price arrived at the contract and contracted. And this would include all statutory levies, freight and insurance charges also.

This matter was examined by the Legal Advisor also and after careful consideration, it is hereby daritied that the "Contract Price" in T.R. No. 107 (a) would include Ex-factory price of the material, statutory evies, freight and insurance charges also and that the L.D. should be calculated on this total contract price of the undervered/belatedly delivered items/materials, that could be adjusted against the 10% S.D. plus 5% palance payment due to the supplier.

Receipt of this circular may be acknowledged to the Deputy Financial Controller/Tender.

T.G. Srinivasan,

Accounts Member.

Memo. No. SE/IEMC/EE8/AEE2/V. 40/D. 202/98, (Technical Branch) dated : 273.98.

Sub : Electricity - Extension of supply to the agricultural applicants under revised SFS -Extension of time for payment of the estimate amount - Approval - Reg.

It is noticed that the agricultural applicants under RSFS find it difficult to pay the amount within the Scipulated time of 60 days and number of representations are being received for extension of time beyond the notice period of 60 days.

Above aspect has been examined and it is informed that approval for the time extension of further 60 days from the expiry of first 60 days period for both the schemes under RSFS may be accorded by the concerned Superintending Engineer/Electricity Distribution Circles whether the applicant requests for such etansion before or after the expiry of the first 60 days notice period. However in total 120 days from the date of iecelpi of first notice only has to be given for the payment of the amount, otherwise the application has to be cancelled. As per the above instructions, a period of 120 days is permitted to make payment of the estimated cost under the RSFS scheme from the date of receipt of the demand notice.

7.13 In this case, the Respondent issued an estimate demand notice to the Appellant, granting only 30 days for payment. The notice was issued under communication number க.எண். செ.பொ / இ.பே / நெகமம் / தொ.நு.உ.1/ க. சுயநிதி/ வி.எண்: 743-5/-24, நாள்:17.05.2024, through RPAD with acknowledgment. The notice required the Appellant to pay an estimated amount of Rs. 80,130/- (Rupees Eighty Thousand One Hundred and Thirty Only).

7.14 The Appellant initially claimed that she had not received the registered post. However, when specifically questioned by this E.O. about the Respondent's claim that one Thiru Dinesh Kumar had received the registered post on 03.06.2024, the Appellant admitted that he was her neighbor. Further, the Appellant acknowledged that Thiru Dinesh Kumar had indeed received the post, but did not hand over the post upon her return after the international trip. This argument by the Appellant lacks merit, as it does not credibly establish that she failed to receive the Respondent's communication on time. Furthermore, despite having sufficient time between her return and the expiry of the notice period, the Appellant neither contacted the Respondent to inquire about the status of the application nor made any effort to pay the required estimate charges within the stipulated 120-days period, which was expired on 21.09.2024.

7.15 From the findings of the above paras, I am of the considered view that the Respondent adhered to the established procedures and acted in full compliance with the applicable guidelines. Therefore, the Order issued by the CGRF of Coimbatore EDC/South is upheld.

### 8.0 <u>Conclusion</u>:

8.1 Based on my findings, the Appellant's failure to pay the estimate charges within the stipulated 120-days period resulted in the cancellation of the application

under the RSFS scheme as per the regulations. The Respondent adhered to the rules without any procedural lapse. Therefore, the Appellant's request for exceptional consideration is rejected.

8.2 With the above findings A.P.No.02 of 2025 is disposed of by the Electricity Ombudsman.

#### **(N. Kannan)** Electricity Ombudsman

"நுகர்வோர் இல்லையேல், நிறுவனம் இல்லை" "No Consumer, No Utility"

	"No Consumer, No Utility"		
То			
1. Tmty. Saroja Eswarasamy, W/o. S. Eswarasamy, 109/3, Oor Gounder Thottam, Kurunallipalayam, Kinathukadav Coimbatore – 642109.	- By RPAD u,		
2. The Executive Engineer/O&M Coimbatore Electricity Distributio TNPDCL, 110/22 KV Negamam Power How Negamam-642 102.	on Circle/ South,		
3. The Superintending Engineer, Coimbatore Electricity Distributio TNPDCL, Tatabad, Coimbatore – 641 012.		- By email	
4. The Chairman & Managing Di TNPDCL, NPKRR Maaligai, 144, Anna Sal		– By Email	
5. The Secretary, Tamil Nadu Electricity Regulator 4th Floor, SIDCO Corporate Offic Thiru-vi-ka Industrial Estate, Gui	ce Building,	– By Email	
<ul> <li>6. The Assistant Director (Computer) – For Hosting in the TNERC Website</li> <li>Tamil Nadu Electricity Regulatory Commission,</li> <li>4th Floor, SIDCO Corporate Office Building,</li> <li>Thiru-vi-ka Industrial Estate, Guindy, Chennai – 600 032.</li> </ul>			