

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

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Before The Tamil Nadu Electricity Ombudsman, Chennai

Present : Thiru. N.Kannan, Electricity Ombudsman

A.P.No. 85 of 2024

Thiru N. Kannan,
No.2, Soundarajan Street,
T.Nagar, Chennai - 17.

. Appellant
(Thiru N. Kannan)

Vs.

1. The Executive Engineer/O&M/T.Nagar,
Chennai Electricity Distribution Circle/Central,
TNPDC,
M.G.R Salai, 110KV,33KV, 11KV Valluvar kottam SS Campus,
3rd floor,Nungambakkam,Chennai-600034.

2. The Assistant Executive Engineer/O&M/ T.Nagar,
Chennai Electricity Distribution Circle/Central,
TNPDC,
No.41, Thanikachalam Road, T.Nagar, Chennai - 600017.

3. The Assistant Engineer/O&M/ T.Nagar/Central,
Chennai Electricity Distribution Circle/Central,
TNPDC,
No.41, Thanikachalam Road, T.Nagar, Chennai - 600017.

4. The Deputy Financial Controller,
Chennai Electricity Distribution Circle/Central,
TNPDC,
M.G.R Salai/110KV/33KV/11KV,
Valluvar kottam SS Campus,
Nungambakkam, Chennai-600034.

. . . . Respondents
(Thiru A.Venkatesan, EE/O&M/T.Nagar
Thiru K. Rajasekaran, AEE/O&M/T.Nagar
Thiru S. Lakshmanan, AE/O&M/T.Nagar/Central)

Petition Received on: 26-11-2024

Date of hearing: 23-01-2024

Date of order: 31-01-2025

The Appeal Petition received on 26.11.2024, filed by Thiru N. Kannan, No.2, Soundarajan Street, T.Nagar, Chennai – 17 was registered as Appeal Petition No. 85 of 2024. The above appeal petition came up for hearing before the Electricity Ombudsman on 23.01.2024. 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.

ORDER

1. Prayer of the Appellant:

The Appellant has prayed for refund the development charges collected in his service connection No.222-046-225.

2.0 Brief History of the case:

2.1 The Appellant has prayed for refund the development charges collected in his service connection No.222-046-225.

2.2 The Respondent has stated that during 07/2019 and 09/2019 the maximum demand was exceeded from 1KW to 2KW and development charges was collected. Subsequently, the Appellant exceeded the demand for the period from 05/2023 to 09/2023 accordingly development charges Rs.5,110/- was collected.

2.3 In this context, the Appellant filed a petition with the CGRF of Chennai Electricity Distribution Circle/Central on 05.07.2024 to refund the development charges.

2.4 The CGRF of Chennai Electricity Distribution Circle/Central issued an order dated 04.09.2024. Aggrieved by the order, the Appellant has filed this appeal petition before the Electricity Ombudsman.

3.0 Orders of the CGRF :

3.1 The CGRF of Chennai Electricity Distribution Circle/Central issued its order on 04.09.2024. The relevant portion of the order is extracted below: -

“Order:

As per the TNERC supply code and rules in force the development charges updated and load revised by the licensee. The same cannot be refunded, as per the rules force.

With the above direction the petition is closed.”

4.0 Hearing held by the Electricity Ombudsman:

4.1 To enable the Appellant and the Respondent to put forth their arguments, a hearing was conducted in person on 23.01.2025.

4.2 The Appellant Thiru N.Kannan attended the hearing and put forth his arguments.

4.3 The Respondents Thiru A.Venkatesan, EE/O&M/T.Nagar, Thiru K. Rajasekaran, AEE/O&M/T.Nagar and Thiru S. Lakshmanan, AE/O&M/ T.Nagar/ Central of Chennai Electricity Distribution Circle/Central 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 Arguments of the Appellant:

5.1 The Appellant has stated that development charges of Rs.5110/- is raised in his bill for usage of 2.1kw in the last year is not justified. The load may be due to a temporary usage as per the reading and as a consumer, he cannot check every day the load input. Now for the past 9 months load is below 0.5 kw Only. He further stated that suppose if he is paying for the extra load, then if the usage is minimum and is 0.5 kw shall the department refund the amount paid for lesser usage. And reply from AEE is not justified from consumer side. He stated that as a consumer he has requested the board if any consumer using additional load, additional charges

are collected and if consumer using less than the existing demand will it refund the development charges for lesser usage.

5.2 The Appellant has stated that his complaint was closed as one sided and his request was not considered. First the date of hearing was on 28.8.2024 and he appeared before the forum and it was postponed to 4.9.2024. Since he had High court case on that date, he has not attended on 4.9.2024 so he had sent email stated that he could not attend on 4.9.24 and they have not given any other date to express his views, and they closed his petition arbitrarily.

5.3 The Appellant has stated that as a small consumer he may not be possible to pay for 0.1 KW excess for a month, jumping to another 1 KW. For the past one year he has not at all using, & his load will be 0.5 kw and meter reading is NIL will TANGEDCO return his additional load fee collected. If TANGEDCO collect any amount towards additional load, similarly if any consumer not using the load TANGEDCO have to return also that will be justice. The dept replied for three months excess KW in a year will be charges. As a consumer we rely on us and we are not having any measure to check our limit crossed or not every month. Aren't they obligated to inform the client about the usage is crossing excess through a text message or whatsapp in this modern 2024 world. Lot of social platforms are there to reach customers without human intervention.

5.4 The Appellant has stated that if they have informed then if he used further for consecutive months then they can raise additional load. But no information. It is all arbitrarily decided by the dept and he the innocent consumer is ultimately suffering. The Appellant has requested to waive the charges and refund the development charges for lesser usage.

6.0 Arguments of the Respondent:

6.1 The Respondent has stated that the petitioner Thiru. N. Kannan at No. 2 Soundararajan Street, T.Nagar, Chennai-17 during the year 2003, a single phase service connection was effected under commercial tariff to a load of 1 KW. The petitioner consumed more than 1 KW during the calendar year 2019 and hence load

was revised to 2 KW The petitioner accepted the fact and paid the additional development charges of Rs.2500/- per KW (Rs. 1000/- paid vide receipt no. PGNCUB11871798 dt. 17.12.20219 &balance Rs.1500/- paid vide receipt no. PGCCAN571422134 dt.11.10.2023) as per rules in force.

6.2 The Respondent has stated that during the assessment months in 05/2023 the petitioner consumed 2.011 KW over the sanctioned demand of 2 KW. In 07/2023, the petitioner consumed 2.151 KW over the sanctioned demand of 2 KW. In 09/2023, the petitioner once again consumed 2.028 KW over the sanctioned demand of 2 KW.

6.3 The Respondent has stated that as per TNERC tariff revision order No.10/2022 dt.09.09.2022 under Non-tariff related miscellaneous charges, if the recorded demand exceeds 2 times or more than the sanctioned demand, within a calendar year the recorded demand may be regularized, provided the consumer has to pay the additional/development charges. Accordingly a demand of Rs. 5110/- raised on 29.02.2024. Necessary downloaded reports are submitted herewith.

6.4 The Respondent has stated that on 11.01.2022 the existing static meter was replaced with smart meter within the LT A/C.No.01-222-046-225. In T.Nagar ABD area, the existing static electronics meters were replaced with smart meters during the year 2022. On installation of smart meters, the existing pattern of field assessment was scrapped and remote assessment system was implemented. As per TNERC Supply Code, New Regulation 14A, which relates to the notice given to the consumers under automated meter reading system namely

"Not withstanding anything contained in Regulation 5,8,13,14 and 16 of this code or any provision in the Distribution Code, wherever the Licensee implements automated meter reading system through Automatic Meter Reading(AMR) technology or Advanced Metering Infrastructure (AMI) technology using Smart meters or any other modern technology using Smart meter, the billing details such as Electricity consumption, Consumption charges for electricity, the due date of payment, demand for additional security deposit any other demand/information etc., shall be communicated through e- mail or SMS or Mobile App or any other electronic mode adopted by the TANGEDCO with prior intimation to the

commission and such communication shall be deemed to be the notice issued for such purposes".

6.5 The Respondent has stated that the details about regular current consumption charges, additional deposits (if any) are intimated to the consumers by text message to their registered mobile numbers promptly. This fact was also acknowledged by the petitioner on his petition dated 05.03.2024. The petitioner himself accepts that "I have received one text message in my registered mobile number, I have to pay Rs.5110/- towards auto slip for load regularization MD.

6.6 The Respondent has stated that the petitioner made a representation to the Assistant Engineer/O&M/T.Nagar central regarding clarification on the development charges of Rs.5110/ raised. Suitable reply was given to the petitioner on 29.04.2024. The petitioner had approached Consumer Grievance Redressal Forum due to not considering his prayer. The hearing originally planned on 28.08.2024 was postponed due to administrative reasons by the Chairman/CGRF and revised hearing date was fixed on 04.09.2024. New hearing date was also intimated to the petitioner, but the petitioner does not turned up for hearing.

6.7 The Respondent has stated that the CGRF passed on the order stating that "As per the TNERC supply code and rules in force the development charges are updated and load revised by the licensee. The same cannot be refunded as per the rules in force. With this direction the petition is disposed off".

6.8 The Respondent has stated that, it is submitted that the sanctioned load can be reduced by the petitioner by registering online application to TNPDC, by inspecting and verifying the application, the reduction of load will be sanctioned by TNPDC, after collecting pending dues as the service is still in disconnected state.

6.9 The Respondent has stated that the petitioner Thiru. N. Kannan has further approached to the Honourable Tamil Nadu Electricity Ombudsman by second appeal on 26.11.24, that affidavit on bonafide reasons may be accepted and the appeal may be dismissed.

6.9 The Respondent has stated that during the assessment month 05/2023, the petitioner consumed 2.011KW over the sanctioned demand of 2KW. Necessary intimation notice was issued the petitioner by AE/O&M/T.Nagar Central on 29.05.2023. Also, during the assessment month 07/2023, the petitioner consumed 2.151 KW over the sanctioned demand of 2KW. Necessary intimation notice was issued to the petitioner by AE/O&M/T.Nagar Central on 01.08.2023.

6.10 The Respondent has stated that it is also submitted that the petitioner accepts the fact and paid the excess demand charges along with the Current Consumption charges as follows,

05/2023 Payment details:

CC Charges	Rs.1299.71
Excess demand charges	Rs.17
E-Tax	Rs.94.99
Fixed charges	Rs.400
Total amount paid by the petitioner	Rs.1812

07/2023 Payment details:

CC Charges	Rs.505.76
Excess demand charges	Rs.9.16
E-Tax	Rs.56.06
Fixed charges	Rs.410.27
Total amount paid by the petitioner	Rs.981

6.11 The Respondent has stated that since the petitioner has already accepts the facts and paid the excess demand charges, should have to pay the development charges as per the rules in force.

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 documents submitted by them, the following are the issues to be decided;

7.2 The appellant contends that the development charges of Rs. 5110/- imposed for a 2.1 kw usage in the previous year are unjustified. He argues that the higher consumption may have been due to temporary usage and, as a consumer, he cannot be expected to monitor the load daily. He emphasizes that for the past nine months, his load has remained below 0.5 kw and questions whether he is entitled to a refund for the reduced usage. He further questions whether the department would refund the charges if consumption is lower than the sanctioned load, highlighting the lack of fairness in the current billing system.

7.3 Furthermore, the appellant argues that it is unreasonable to impose additional charges based on minor fluctuations in consumption, particularly when there is no provision for refunds in case of reduced usage. He points out that for the past year, his usage has been negligible or nil, and questions whether TANGEDCO would return the additional load charges collected. He believes that the system should be fair and transparent, ensuring that consumers are not unduly penalized.

7.4 The appellant also criticizes the lack of proactive communication from the department. He asserts that consumers should be informed in advance if their load exceeds the sanctioned limit through modern communication channels such as SMS or WhatsApp. In today's digital era, he believes it is the department's responsibility to notify consumers before imposing additional charges, rather than arbitrarily billing them without prior intimation. Ultimately, the appellant requests a waiver of the development charges and a refund for the periods of lesser usage. He contends that the current approach of the department is arbitrary and financially burdensome to consumers, and seeks a fair resolution that considers both excess and reduced consumption equitably.

7.5 The respondent argues that the petitioner originally had a sanctioned load of 1 kW, which was increased to 2 kW in 2019 after exceeding the limit. The petitioner accepted this revision and paid the required development charges. In 2023, the petitioner again exceeded the sanctioned demand of 2 kW on multiple occasions, leading to the imposition of additional charges in accordance with TNERC regulations.

7.6 The respondent clarifies that the petitioner's meter was upgraded to a smart meter in 2022, allowing for remote monitoring and automated notifications regarding electricity consumption and charges. The petitioner was duly informed via SMS about the excess demand and corresponding charges, and he acknowledged receiving these messages. It is also pointed out that the petitioner has the option to apply for a reduction in sanctioned load through an online application. The reduction will be approved after verification and payment of any pending dues, as the service is currently in a disconnected state.

7.7 The respondent further states that the petitioner was notified in advance regarding his excess consumption and that he voluntarily paid the associated charges, demonstrating his acceptance of the additional load and related costs. Finally, the respondent asserts that since the petitioner has previously accepted and paid the excess demand charges, he is required to pay the development charges as per TNERC rules and regulations.

7.8 Therefore, based on the above arguments of the Appellant and the Respondent, I would like to examine Tamil Nadu Electricity Supply Rule 5(2) III (A) as in force on the date of determination of excess demand i.e. 05/2023, 07/2023 & 09/2023 to determine whether the manner in which the excess demand charge was defined in this appeal is correct which is discussed below.

"5. Miscellaneous charges

xxx

2 (III)(A) In case the recorded demand has not exceeded 112 KW, the existing load sanction shall, after intimation to the consumer, be revised within one month of the second occurrence to the level of maximum recorded demand and all the relevant charges applicable to the additional load shall be included in the next bill."

7.9 According to the above provisions, the excess demand charges means that if the recorded demand exceeds the sanctioned demand, the consumer shall pay the excess demand charges and excess load shall be regularized within one month from the second occurrence of the recorded demand, the consumer shall be informed accordingly and the corresponding charges applicable to the additional power load shall be added to the next bill.

7.10 During the hearing, the respondent explained to the appellant how the excess demand charges were calculated, and the appellant was subsequently informed through official communication. As per the documents submitted by the respondent, it was established that the appellant was duly notified in accordance with TNERC Supply Code Regulation 14A through automated messages and a formal notice issued in the eighth month, which followed the second occurrence of excess demand. The appellant acknowledged receipt of the SMS notifications and accepted the information provided.

7.11 Additionally, the respondent clarified how the amount of Rs. 5110/- was determined, and the appellant accepted this calculation during the hearing. It was also confirmed during the hearing that the appellant had paid the penalty for exceeding the sanctioned demand, which was verified through the consumer ledger for the periods 05/2023 and 07/2023. The appellant acknowledged this fact. Furthermore, he was informed again in 08/2023 and subsequently on 05.03.2024, to which he did not raise any objections.

7.12 After gaining clarity on the regularization charges in addition to the excess demand charges, the appellant expressed satisfaction with the explanation provided. Since the regulatory process was followed correctly and the appellant confirmed his understanding of the procedures, the respondent's actions are deemed appropriate, and the petition is considered closed.

8.0 Conclusion:

8.1 Based on my findings in the above para 7, the due process of regularization of excess MD carried out by the respondent was in accordance with the Regulations and hence the appeal petition is treated as closed.

8.2 With the above findings A.P.No.85 of 2024 is disposed of by the Electricity Ombudsman.

(N. Kannan)
Electricity Ombudsman

“நுகர்வோர் இல்லையேல், நிறுவனம் இல்லை”
“No Consumer, No Utility”

To

1. Thiru N. Kannan,
No.2, Soundarajan Street,
T.Nagar, Chennai - 17.

- By RPAD

2. The Executive Engineer/O&M/T.Nagar,
Chennai Electricity Distribution Circle/Central,
TNPDC, L,
M.G.R Salai, 110KV,33KV, 11KV Valluvar kottam SS Campus,
3rd floor,Nungambakkam,Chennai-600034.

3. The Assistant Executive Engineer/O&M/ T.Nagar,
Chennai Electricity Distribution Circle/Central,
TNPDC, L,
No.41, Thanikachalam Road, T.Nagar, Chennai - 600017.

4. The Assistant Engineer/O&M/ T.Nagar/Central,
Chennai Electricity Distribution Circle/Central,
TNPDC, L,
No.41, Thanikachalam Road, T.Nagar, Chennai - 600017.

5. The Deputy Financial Controller,
Chennai Electricity Distribution Circle/Central,
TNPDC, L,
M.G.R Salai/110KV/33KV/11KV,
Valluvar kottam SS Campus,
Nungambakkam, Chennai-600034.

6. The Superintending Engineer,
Chennai Electricity Distribution Circle/Central,
TNPDC, L,
M.G.R Salai/110KV/33KV/11KV,
Valluvar kottam SS Campus, Nungambakkam, Chennai - 600034.

- By Email

7. The Chairman & Managing Director,
TNPDC, L,
NPKRR Maaligai,144, Anna Salai, Chennai -600 002.

- By Email

8. The Secretary,
Tamil Nadu Electricity Regulatory Commission,
4th Floor, SIDCO Corporate Office Building,
Thiru-vi-ka Industrial Estate, Guindy, Chennai – 600 032.

- By Email

9. The Assistant Director (Computer) – **For Hosting in the TNERC Website**
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