



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. 09 of 2024**

Thiru R.Palanisamy,  
S/o.S.M.Ramasamy,  
Thirumankkadu, Cinthampalayam,  
O.Rajapalayam Post, Tiruchengode Taluk,  
Namakkal District.

. . . . . Appellant  
(Rep. by Thiru A.Kailasam)

Vs.

1. The Superintending Engineer,  
Namakkal Electricity Distribution Circle,  
TANGEDCO,  
Opp. to Kannan Smart Super Departmental Store,  
Tiruchengode Road, Namakkal-637001.

2. The Executive Engineer/O&M/Thiruchengode,  
Namakkal Electricity Distribution Circle,  
TANGEDCO,  
Anagoor Road, Keeleripatty,  
Suriyampalayam,(P.O), Thiruchengode - 637 209.

. . . . Respondents  
(Thiru V.K. Yoganathan, EE/O&M/Thiruchengode, (i/c))

**Petition Received on: 12-02-2024**

**Date of hearing: 21-03-2024**

**Date of order: 28-03-2024**

The Appeal Petition received on 12.02.2024, filed by Thiru R.Palanisamy, S/o.S.M.Ramasamy, Thirumankkadu, Cinthampalayam, O.Rajapalayam Post, Tiruchengode Taluk, Namakkal District was registered as Appeal Petition No. 09 of

2024. The above appeal petition came up for hearing before the Electricity Ombudsman on 21.03.2024. 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 to cancel the audit slip for an amount Rs.5,22,051/- in SC No. 180-001-1331.

### **2.0 Brief History of the case:**

2.1 The Appellant is running cloth weaving work with SC No. 180-001-1331 with the sanction load of 10 HP under Tariff III-A2. The audit slip for an amount Rs.5,22,051/- was raised towards contracted demand exceeded.

2.2 The Respondent has stated that the audit slip were raised towards excess demand charges.

2.3 Hence the Appellant has filed a petition with the CGRF of Namakkal EDC on 11.02.2023 requesting to cancel the audit slip.

2.4 The CGRF of Namakkal EDC has issued an order dated 30.11.2023. 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 Namakkal Electricity Distribution Circle issued its order on 30.11.2023. The relevant portion of the order is extracted below: -

**“Order:**

மனுதாரர் தனது மின் இணைப்பு எண் 180-001-1331 TF IIIA2 விசைத்தறி மின் இணைப்பில் அனுமதிக்கப்பட்ட மின்பளுவைவிட கூடுதலாக பயன்படுத்தி வந்தமைக்குண்டான மின்கணக்கீடு தணிக்கைச் சீட்டில் குறிப்பிட்டுள்ளவாறு IIIB-ல் கணக்கீடு செய்து விடுபட்ட தொகை ரூ.5,22,051/- ஐ தள்ளுபடி செய்யக் கோரி பலவிதமான விவாதங்களை முன் வைத்துள்ளார்.

TNERC Order T.P.No.1 of 2012 மற்றும் T.P.No.9 of 2014ன் படியும் IIIA2 வீதப்பட்டி மின் இணைப்பில் Connected Load 10.00க்கு அதிகமாகக்கூடாது என உள்ளது.

TNERC order T.P.No.1/2017 ன்படி மேற்குறிப்பிட்ட மின்பளு 10.0 HP விருந்து 12.0 KW ஆக மாற்றப்பட்டுள்ளது.

தனது மின் இணைப்பில் உள்ள மின்மோட்டர்களின் மின்திறன் 10.0 HP க்கு மட்டுமே இருந்ததாகவும் மோட்டர்களின் தேய்மானம் மற்றும் உராய்வு இழப்பீடு (Efficiency & Losses) காரணமாக கூடுதல் மின்பளு பதிவாகி இருக்கலாம் என்றும், தான் உரிய Excess MD charges ஐ செலுத்தி வந்ததாகவும் குறிப்பிட்டு வாதிட்டு உள்ளார்.

TNERC மேற்குறித்த காரணங்களை ஆய்வு செய்து III A2 வீதப்பட்டி மின் நுகர்வோர்களின் கோரிக்கைக்கிணங்க 12 KW என மாற்றி அமைத்துள்ளது.

மேலும், தனக்கு கூடுதல் மின்பளு உபயோகப்படுத்தப்பட்டுள்ளது குறித்து எதிர்மனுதாரர் தகவல் தெரிவிக்கவில்லை எனவும் அவ்வாறு தெரிவித்து இருந்தால்தான் மின்பளு உபயோகத்தை சரிசெய்து இருக்க முடியும் என்றும் வாதிட்டுள்ளார்.

எதிர்மனுதாரர் தனது வாதுரையில் மனுதாரர் தொடர்ச்சியாக 08/2013 முதல் 06/2017 வரை அனுமதிக்கப்பட்ட மின்பளு 10.0 HP /8.46 KW க்கு அதிகமாக கூடுதல் மின்பளு உபயோகப்படுத்தி வந்துள்ளார் எனவும், அதற்குரிய Excess demand charges - ஐ செலுத்தி வந்து 23.08.2017 ல் அவருக்கு கூடுதல் அனுமதிக்கப்பட்ட மின்பளு 11.58 ஆகமாற்றம் செய்து கணினி தானியங்கி சீட்டு வழங்கப்பட்டு கூடுதல் மின்பளுவிற்குண்டான கட்டணங்கள் வசூலிக்கப்பட்டு வரன்முறைப்படுத்தப்பட்டு உள்ளது, என தெரிவித்துள்ளார்.

தணிக்கை சீட்டில் CFC Lr.No. CFC/GL/FC/DFC/Rev.1/ D.185/2008 dt.16.08.2008 உத்தரவின்படி 08/2013 முதல் 06/2017 வரை கூடுதல் மின் பளு உபயோகத்துக்கு III B வீதப்பட்டியில் கணக்கீடு செய்யப்பட்டு விடுபட்ட தொகையை வசூல் செய்யுமாறு தெரிவிக்கப்பட்டுள்ளது. தணிக்கை சீட்டை தள்ளுபடி செய்ய கோரியதற்கு கீழ்க் குறித்த காரணங்கள் குறிப்பிட்டு தணிக்கைத் துறை மூலம் நிராகரிக்கப்பட்டுள்ளது.

1.As per existing TNERC's Tariff orders in force (prior to 8/2017), the tariff IIIA1 & IIIA2 is applicable only to the consumers, those who have utilized the electrical energy within the permissible demand of 10HP. Since this category is load based tariff category.

2. If the consumer is violating the condition and exceeds the permissible limit of 10HP as such the consumer should not be allowed to continue under Tariff IIIA1 & III A2

3. On review of the consumer Ledger view, it is confirmed that the Demand has been exceeded the permissible limit of 10HP by the consumer continuously and the audit slip is in order. Further, the consumer has used the energy exceeding the permissible limit from 8/2013 to 4/2017 continuously and as such the audit objection was raised.

4. As per the Tariff order, when any of the service not coming under the Tariff classification then such service has to be billed under Tariff V Commercial only. But, the audit has taken in a lenient view the short levy was worked out under III-B Industrial Tariff only.

மேலும், இப்பொருள் குறித்து தெளிவுரை கோரி தலைமை அலுவலகத்துக்கு கடிதம் மூலம் கோரியதன் பேரில் Lr.No.CFC/Rev/FC/Rev/DFC/Rev/AAO/Asst/F.3A1 3A2 3B/D.No.393/23.Dt. 19.06.2022-ன் மூலம் கீழ்க் கண்டவை தெரிவிக்கப்பட்டு தணிக்கை சீட்டு தொகை விதிக்கப்பட்டுள்ளது சரியானது என தெரிவிக்கப்பட்டுள்ளது.

2.0) The Regulation 5 (2) (ii) (B) note under chapter 2 of TN Supply code notified by Hon'ble commission states that:

"Note: For services with contracted demand less than or equal to 18.6 KW (25 HP), Whenever the consumer's connected load exceeds the contracted demand, the licensee shall install meters with demand recording facility and bring the consumer under the scope of excess demand chargeable category. After installation of the meter, if the recorded demand is in excess of contracted demand, the existing demand, shall, after intimation to the consumer, be revised to the level of recorded demand and all relevant charges applicable for extension of additional demand shall included in the next bill. No excess demand charge is leviable till such time the licensee installs meter with demand recording facility and bring the consumer under the scope of excess demand chargeable category.]"

3.0) The Tariff Order No.1 of 2012 dated 30-03-2012 (effective from 01-04-2012) states as follows:

"10.19 Low Tension Tariff III-B:

"10.19.1 This tariff is applicable to all industries not covered under LT Tariff III A (1) and ill-A (2). All industries covered under LT Tariff III A (1) and III A (2) shall also fall under this tariff category if the connected load of such industries exceeds 10 HP.

4.0) In this regard, it is stated that the contention of the Audit wing is in compliance with the tariff order as above is in order

மேற்கூறிய வாதுரைகளை தெளிவாக ஆராயும் பொழுது மனுதாரர் 08/2013 முதல் 06/2017 வரை தொடாச்சியாக கூடுதல் மின்பளு உபயோகப்படுத்திவந்து அதற்குரிய Excess demand charges செலுத்தி வந்துள்ளார். எனவே கூடுதல் மின்பளு குறித்து தனக்கு தெரிவிக்கப்படவில்லை என்ற மனுதாரர் வாதுரை ஏற்றுக்கொள்ளத்தக்கது அல்ல.

மேலும், மின் இணைப்பில் கூடுதலாக பயன்படுத்தப்படும் மின்பளு Demad recording facility உள்ள மின்அளவி பொருத்தப்பட்டதன் மூலமாக கணக்கிடப்பட்டு வருகிறது. மின்நுகர்வோர் இணைக்கப்பட்ட (Connected Load) மின்பளு குறித்த வாதங்கள் ஏற்றுக் கொள்ளத்தக்கது அல்ல,

மேலும், TN Supply Code regulation 5(2)(ii) (b) ல் மேல் குறிப்பிட்டுள்ள விதிகளின்படி கூடுதல் மின்பளு குறித்து 23.08.2017 கணினி தானியங்கி சீட்டு மூலம் தெரிவிக்கப்பட்டு மனுதாரர் கூடுதல் மின்பளு 11.58 KW ஆக வரன் முறைப்படுத்தி அதற்குரிய நிலைக் கட்டணங்களை செலுத்தி வரன் முறைப்படுத்தி உள்ளார்.

மேலும் Tariff Order No 1 of 2012 dated 30.03.2012-ன் படி TF III B -க்கு உண்டான வரையறைப்படி 10.0 HP-க்கு மேலாக பயன்படுத்திய காலகட்டத்துக்கு மட்டும் TF III B வீதப்பட்டியில் கணக்கிடப்பட்டு விடுபட்ட மின்பயனீட்டுத் தொகை கணக்கிடப்பட்டு உள்ளது. தற்போது வரை மனுதாரரின் மின் இணைப்பு TF III A2 வீதப்பட்டியில் இருந்து வருகிறது.

எனவே, TNERC order T.P. 1/2017 க்கு முந்தைய காலகட்டத்திற்கு TNERC Order TP No 1 of 2012 உத்தரவு பொருந்தும் என்பதால் தணிக்கையில் மின்இணைப்பு எண் 180-001-1331-ல் 08/2013 முதல் 06/2017 வரை உபயோகப்படுத்தப்பட்ட கூடுதல் மின்பளுவுக்குண்டான கணக்கீடு III B வீதப்பட்டியில் கணக்கிடப்பட்டு விடுபட்ட தொகையாக ரூ.5,22,051/ கண்டறியப்பட்டு விதித்துள்ளது சரியானதே என்று கருதி அத்தொகையை செலுத்துமாறு மனுதாரருக்கு இம்மன்றம் உத்தரவிட்டு இம்மனு எண்.47/2022-23 ஆனது இம்மன்றத்தால் முடித்து வைக்கப்படுகிறது.”

#### **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 on 21.03.2024 through video conferencing.

4.2 On behalf of the Appellant Thiru A.Kailasam attended the hearing and put forth his arguments.

4.3 The Respondent Thiru V.K. Yoganathan, EE/O&M/Thiruchengode, (i/c)) of Namakkal Electricity Distribution Circle 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 he is a poor innocent household cloth weaver with his family doing cloth weaving work, on operation of twenty four plain power looms using 10 HP connected power load + 1500 watts lighting load, under Tariff III-A2 category supplied by TANGEDCO service connection No. 180- 001-1331 from its inception period without increasing or decreasing of looms alteration or change of cloth fabrication without wastage or dissipation or misuse of electrical energy.

5.2 The Appellant has submitted that CGRF order dated on 02.03.2023 ignored and failed to obtain from the Respondents regarding the submission of Technical clarification and specification concerning the methodology of computation of audit slip from the Chief Engineer Commercial. Chennai of Technical Branch of TANGEDCO who is the competent authority in Technical specification and correct method of recording energy consumption by MD recording static meter, instead Respondents submitted CFC/revenue's unclearness abstruseness imprecision letter consisting No.Lr.No.CFC/Rev/DFC/ Rev/AAO/Ass.F.3A13A2-3B/D.393/23 dated 19.06.2022. It is an axiomatic truth that CFC/revenue is not a competent authority regarding the technology and specification of static meter with MD recording facility.

5.3 The Appellant has submitted that it is true that he has submitted sufficient evidences, meritorious document to cancel the impugned audit slip amount of Rs.5,22,051/- in all his Grievance petition and argued with argumentive materials.

5.4 The Appellant has submitted that as per TNERC Tariff order T.P.No. 1 of 2012 and T.P.No.9 of 2014 the connected load i.e useful Power should not exceed 10 H.P but in Tariff order T.P.No.1 of 2017 the connected load is 12 KW. The Forum ignored to exercise skilled judgements regarding input power, output power, useful power, connected load, contracted load.

5.5 The Appellant has submitted that when exercising skilled observation, "The Term Connected Load" mentioned in Tariff Order No.1 of 2012, dated 30.03.2012 and Tariff Order No.9 of 2014, dated: 11.12.2014 clearly denotes the output power and the term "Contracted Load" depicted in tariff order T.P. No.1 of 2017, dated: 11.08.2017 spell out the input power.

5.6 The Appellant has submitted that as per available TANGEDCO record he permitted to utilize 10 HP power load + 1500 watts Lighting Load. Input power depends upon the efficiency of motor. As per IS 8789: 1966, the efficiency of motor is 64% only. Hence the input power requirement 11.66 kw to the output power 10 HP as denoted in Tariff Order 2012 and 2014 as Connected Load 10 HP. The Contracted Load 12 kw signaled in Tariff Order 2017 is the input load and corresponding output power load after deduction of electrical loss of motor is 10 HP.

5.7 The Appellant has submitted that the questionable bimonthly period 8/2013 to 8/2017 when the static meter was installed which recorded maximum level of excess demand as 11 kw is the input power and the corresponding output power is 10 HP as per IS 8789: 1966 order the motor efficiency is 64% bimonthly period 8/2013 to 8/2017 attracts the Tariff Order 1 of 2012, dated 30.03.2012 and Tariff Order No.9 of 2014, dated 11.12.2014 both Tariff Order 2012 and 2014 clearly evidence he is eligible to utilize 11.76 kw input power and output power 10 HP. The audit slip raised from Tariff - III A(2) to Tariff - III B is incorrect and to be cancelled "Limine in".

TANGEDCO submitted suomoto (TANGEDCO Hon TNERC) SMT order specifying that the connected load for supply of electricity shall not exceed 10 HP in respect of LT Tariff III A(1) and LT Tariff - III A(2) consequent to introduction of static meter with MD recording facilities, it measures accurate measurements including

electrical loss of motor. The consumer under this category are representing to enhance the load limit of 10 HP considering lower efficiency of motor that are used in power looms TANGEDCO requested the commission to modify the connected load for these categories to 10 kw instead of 10 HP.

In para 5-2-3-20 commission finds merit in TANGEDCO's proposal. However the commission is of the view that even 10 kw may be insufficient and has hence modified the contracted load in respect LT Tariff - III A(1) and LT Tariff -III A(2) to 12 kw instead of 10 HP.

5.8 The Appellant has submitted that an electric motor is a mechanical machine which converts electrical energy. Efficiency of electric motors are mechanical output power and input electrical power typically peak efficiency occurs at 75% of the rated motor load. As an example 10 horse power is most efficient while driving a 7.5% horse power load. Hence efficiency is just the difference between output (useful) power and input power with losses owing to design flaws and other inevitabilities accounting for difference. Primary and Secondary resistance losses i.e. iron losses, stray losses, mechanical loss ie. motor bearing and fan for air conditioning. The ratio of mechanical power output to electrical power input is known as efficiency (electrical). Because energy is wasted in many forms during conversions (electrical to mechanical) such as heat and friction, mechanical power output is lower than electrical power input.

5.9 The Appellant has submitted that it is generally accepted that any electrical parameter cannot remain constant and some variation will occur. The term "Quality of Power is characteristics of electricity at a given point on electric system with respect to set of specified parameter i.e. iron loss, voltage distortion, outage surge voltage swell, over voltage from transformer as low voltage 220 to 230 v will affect maximum demand.

5.10 The Appellant has submitted that acceptance of complete specification by TANGEDCO on static meter and consequence of introduction static meter with MD recording facilities, it measures accurate measurements including electrical loss of



motors is an admissible evidence that static meter records other electrical parameters such as electrical loss of motor, lower efficiency, phase voltage and current frequency, active and reactive and apparent power.

"Commissions View in para 5-2-3-20, stating as it finds merits in TANGEDCO's proposal however that even 10 kw may be in sufficient and has hence modified that contracted load in respect of LT Tariff - III A(1) and LT Tariff-III A(2) to 12 kw instead of 10 HP are admissible statements as that static meter records actual consumption and other parameters of electrical loss such lower efficiency, all above mentioned deficiency in quality of power.

5.11 The Appellant has submitted that from the inception of service obtained on 27.06.2006 and upto bimonthly period 7/2013, high quality meter was fixed by TANGEDCO to measure current consumption. In that above said period the meter fixed in high precision and accuracy in recording the actual flow of electric current consumed leaving other parameter of electrical loss, lower efficiency of motor and electromagnetic interference.

5.12 The Appellant has stated that while viewing his Account Summary the installed static meter recorded excess demand maximum level 11.58 kw between the bimonthly period 8/2013 to 8/2017 against the sanctioned demand maximum 8.47 kw, but they said some static meter showed the recorded demand maximum level 8.74 kw from the bimonthly period from 08/2017 to 06/2022 even though the number of looms and fabrication of cloth remain unchanged. When analyzing the above deficiency is on TANGEDCO side, definitely not on the petitioner side.

5.13 The Appellant has submitted that the statement of CGRF in page No.9 para 3 is denied that he never said he had paid excess MD charges based on motor friction and loss of efficiency but he had utilized useful power 10 HP only as specified in tariff order as connected Load.

5.14 The Appellant has submitted that Hon'ble TNERC Tariff order provided in year 2012, 2014 and 2017 load for Low Tension III(A2) category para 1-18-1 of year

2012, Tariff order para 6-18(i) of 2014 Tariff order point out as "The connected Load (useful power) shall not exceed 10 H.P but in para 6-2-10 of Tariff order 2017 provides contracted Load shall not exceed 12 KW (contracted load means agreement made between consumer and the Licensee).

5.15 The Appellant has submitted that it is unfathomable as to why the Forum and the Respondents and the BOAB audit party who viewed petitioner's Account summary ignored to analyse, observe and exercise skilled discovery how the MD recording static meter in petitioner's service connection recorded, inaccurate, variable and unequal demand tabulated below, even though the conditions of working and the usage of electricity are similar without no increase or decrease in quantity of looms and no variation in Reed and pick (thickness) of Fabric construction in cloth woven at questionable period 08/2013 to 06/2017 upto removable of

**Same Meter on 26.07.2023 (removable date).  
Meter changed/Reason: Normal Date: 26.07.2013**

Month Date	Sanctioned Demand KW	Recorded Demand KW
Aug-13	8.46	10.32
Oct-13	8.46	11.2
Dec-13	8.46	10.64
Feb-14	8.46	11.46
Feb-14	Check Reading	
Apr-14	8.46	9.86
June-14	8.46	
Aug-14	8.46	10.16
Oct-14	8.46	10.44
Dec-14	8.46	10.16
Feb-15	8.46	10.68
Apr-15	8.46	11.1
June-15	8.46	10.96
Aug-15	8.46	10.92
Oct-15	8.46	10.28
Dec-15	8.46	10.62
Feb-16	8.46	10.12
Apr-16	8.46	10.26
June-16	8.46	10.46
Aug-16	8.46	9.78
Oct-16	8.46	10.22
Dec-16	Check Reading	
Feb-17	8.46	10.78

Month Date	Sanctioned Demand KW	Recorded Demand KW
Apr-17		11.86
June-17		10.78
Aug-14	Load changed 8.46 to 12 KW on 23.08.2017	8.16
2017 to 2019		8.46 KW
3.20 2020		7.9
06/2020		7.5
08/2020		7.62
10/2020		7.57
12/2020		7.58
02/2021		
21 to 22		Below
04/2023		8.46

From Aug 2017, 2018, 2019, 2020, 2021, 2022 the one and same meter recorded below 8 KW even though the work done and usage of electricity is similar from the installation 26.07.2013 but recorded excess demand from 2013 to 2017.

5.16 The Appellant has submitted that tariff order 2014 Page No.56 tariff related comments provides as follows:

*“15. Tariff Related comments*

*d. Tariff for Powerlooms / Handlooms: Stake holders comment*

*2.242: The Existing load limit of 7.4 KW may be increased to 12 KW else tariff for exceeding the existing limit may be postponed till the installation of static meter.”*

The above said commission's view clearly indicates that when fixing of static meter the existing load limit might be modified to 12 kw TANGEDCO accepted to change static meter after enhancement of load from 7kw to 12 kw in accordance with Tariff order 2014.

5.17 The Appellant has stated that in his service connection before installing static meter, mechanical meter was existed which was healthy, accurate in measuring readings. Then and why TANGEDCO installed static meter in advance on 26.07.2013 without intimation before the enhancement of load from 7 KW to 12 KW as insisted by commission in Tariff order 2014, which was accepted by TANGEDCO.

5.18 The Appellant has submitted that fixation of static meter which measures electrical loss of motor and experiments performed in Three phase static meter clearly showed large deviations even when supplied with ideal sinusoidal voltage from four quadrant power amplifier. Large variations could be observed when non-linear fast switching load's were connected. Hence the demand recorded from the bimonth 8/2013 to 6/2017 are not the actual demand but the demand with motor electrical loss and voltage fluctuation and faulty technical specifications.

Hence the impugned discovery of audit party hereby mistakenly rising additional demand under III B Tariff for the period 8/2013 to 6/2017 is wrong, abuse, nugatory and to be cancelled. In case if the Assistant Engineer feels all about said codes and regulations are incorrect, Electricity 56(2) is applicable to him.

5.19 The CGRF order and BOAB audit failed to read the above said order and failed to ask the Respondents why they installed static meter with MD recording facility in advance removing the healthy mechanical meter before enhancement of load 10 H.P. to 12 K.W. The above content hits CGRF order and BOAB audit wing to collect audit slip. It is a concluded fact the CGRF and rules of TNERC and performed misconduct. Hence the petitioner denied the illegal audit slip.

5.20 The Appellant has submitted that Forum Fabricated that the petitioner's contention as Excess demand charges were based on friction motor. The petitioner never said hence to be nullified. He further submitted that the Respondent's contention as the load was regularized 23.08.2017 is wrong procedure because at that period the load measure is below the sanction demand 8.54 KW and Tariff order T.P.No.1, 2017 dated: 11.08.2017 was effected from regularization dated 23.08.2017 Forum failed to observe the about said fabulous contention of the Respondents.

5.21 The Appellant has further submitted that it is noticeable and observable that TANGEDCO allowed 750 units free and also collected excess demand charges from the petitioner forcibly is ambiguous. The Respondent's contention that Lr.No.CFCOil/FC/DFC/RevI/D.185/2008 dated 16.08.2018 informed to collect the shortfall amount computed for the 08/2013 to 06/2017 is not applicable to his case

and because TANGEDCO should install static meter with MD recording facility only after increasing the load from 7.4 KW to 12 KW as per Tariff order 2014, Page No.56. 15 Tariff related comments (d) Tariff for Powerlooms / Handlooms instruction 2.242. The reasons to cancel the short fall amount has been rejected as per reasons stated in page No.1, 2, 3, 4 are not applicable to his case and denied by the petitioner.

5.22 The Appellant has submitted that the CGRF's statement as clarifactory note from CFC vide Lr.No.CFC/Rev/FC/Rev/ DFC/Rev/AAO/Asst/F3, 3A1, 3A2, 3B/D.No.393/23 Dt 19.06.2022 wrong and not applicable because no intimation was given to the petitioner as per supply code regulation 2 (ii) 1 (b), no additional demand was included in the next bill. As per CGRF order BOAB Audit excess demand was raised on 26.07.2013 as 10.32 K.W.No intimation was given. No demand was raised in next bill i.e., 26.09.2013. The above content proves that BOAB audit wing stepped beyond the boundaries of commission's supply code regulation and in subordinate to TANGEDCO and TNERC.

5.23 The Appellant has stated that no notice or intimation was given and bring the petitioner under the scope of excess demand chargeable category as per TNERC supply code 5(2) ii (b).

5.24 The Appellant has stated that no RTR was obtained from him as per regulation 9 of supply code which states 9(2) whenever a tariff change is to be effected in a service connection, such change shall be effected only after obtaining a Revised Test Report (RTR) and reading taken shall be conclusive proof of electricity supplied.

5.25 The Appellant has stated that his appeal petition contains clarify, consistency, precision, logical correctness, fairness in all aspects to cancel the wrong audit slip. He prayed to cancel the wrong audit slip amount to Rs.5,22,051/-.

## **6.0 Arguments of the Respondent:**

6.1 The Respondent has submitted that the SC under LT Tariff III-A2 with a load of 10HP+1000 watts was effected on 27.6.2006. Further meter change was done on

3.3.2009. Then static meter with MD recording facility Make: Genus) was replaced on 14.8.2013. After the meter change the Maximum Demand was recorded and that has exceeded the Sanctioned load of 8.46kw from 08/2013 and consumer has paid the excess demand charges from 08/2013 and the same was known to consumer.

6.2 The Respondent has submitted that the consumer is informed time to time about the excess demand paid by them during the bill payment and informed to reduce the load to the sanctioned load. Some consumer has reduced the load and kept within the sanctioned load. This consumer has not reduced the load after time to time reminder.

6.3 The Respondent has submitted that the BOAB Audit party viewed the consumer ledger of the above service the recoded demand has been exceeded the sanctioned demand from 08/2013 to 06/2017. The audit party said.

*"As per Tariff revision order dated 31.3.2012 and 11.12.14 and CFC's Lr No. CFC/GC/FC/DFC/Rev 1/D 185/08 dt 16.8.08 if the contracted demand (or) connected demand exceeds 10HP (power load) the consumer automatically comes to LT tariff B and conditions applicable to LT Tariff IIIB with hold good."*

Hence the bill was revised under IIIB category for the above period only. Hence the short levy of CC charges of Rs 5,22,051/- was raised to the above service. The Intimation Notice was issued to the consumer on 24.7.2017 for the payment of Rs.5,22,051/-

6.4 The Respondent has submitted that in the meantime the consumer MD has been within the sanctioned load of 8.46KW from 05/2017 due to replacement of the above 2 nos. 5HP TEXMO motor by 24 No's 335HP(each) capacity motor. The motor details are enclosed separately. On 23/08/2017 the load has been regularised from 8.46KW to 12KW.

6.5 The Respondent has submitted that the consumer has made time to time various representation for dropping the audit slip during the period 2017 to 2022. The representation given by the consumer has been represented to audit Party. The

audit party has said in their letter dated 30.11.2022 has instructed to collect the audit slip by stating the below reason.

As per existing TNERC's Tariff orders in force (prior to 8/2017), the tariff IIIA1 & IIIA2 is applicable only to the consumers, those who have utilized the electrical energy within the permissible demand of 10HP. since this category is load based tariff category.

If the consumer is violating the condition and exceeds the permissible limit of 10HP as such the consumer should not be allowed to continue under Tariff IIIA1 & IIIA2.

6.6 The Respondent has submitted that on review of the consumer Ledger view, it is confirmed that the Demand has been exceeded the permissible limit of 10HP by the consumer continuously and the audit slip is in order. Further, the consumer has used the energy exceeding the permissible limit from 8/2013 to 4/2017 continuously and has such the audit objection was raised.

6.7 The Respondent has submitted that as per the Tariff order, when any of the service not coming under the Tariff classification then such service has to be billed under Tariff V Commercial only. But, the audit has taken in a lenient view the short levy was worked out under III-B Industrial Tariff only. The same has been intimated to the consumer and hence requested the Ombudsman to order the consumer to pay the audit amount levied by the Audit party.

## **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 has stated that he resides in Thirumaikadu, Chinnathambipalayam, O.Rajapalayam Post, Tiruchengode Taluk, Namakkal District, and is engaged in household cloth weaving with his family. They operate twenty-four plain power looms using a 10 HP connected power load and a 1500

watts lighting load. This operation falls under the Government-subsidized power loom Tariff III-A2 category, supplied by TANGEDCO service connection No. 180 - 001-1331 from its inception period. There has been no increase or decrease in the number of looms, nor any alteration or change in cloth fabrication methods during this time.

7.3 The audit committee of TANGEDCO identified that the Appellant had exceeded the approved electricity load limit of 10.0HP/8.46 KW in their power loom III A2 power connection between August 2013 and August 2017. As a result of this excess usage, the Assistant Electrical Engineer/O&M/East/Tiruchengode calculated an amount totalling Rs.5,22,051/- for the electricity consumed during that period. In response to this calculation, the Appellant has raised objections and is requesting a waiver of the specified amount. This indicates that the petitioner disputes the accuracy or validity of the calculated sum and is seeking relief from the obligation to pay it.

7.4 The Respondent has provided details regarding the initiation of the Appellant's service connection under tariff IIIA2 power loom on 27.6.2006, with a load specification of 10HP+1000 watts. The machinery details included two Texmo machines with serial numbers 51201002526 and 51201000948, and the meter used initially was of Omniagate make with a capacity of 10-40 A. Subsequently, a meter change occurred on 03.03.2009, followed by the replacement of the static meter with MD recording facility (Make: Genus) on 14.08.2013.

7.5 According to the Respondent, after the meter replacement in 2013, the Maximum Demand recorded exceeded the sanctioned load of 8.46 KW from August 2013 onwards. The consumer was made aware of this excess demand, and they have been paying the corresponding excess demand charges since August 2013. The Respondent has submitted that the consumer has been regularly informed about the excess demand charges paid by them during the bill payment process. Additionally, they have been advised to reduce their power load to match the sanctioned load.



7.6 The Respondent has submitted that the BOAB Audit party reviewed the consumer ledger of the aforementioned service and found that the recorded demand had exceeded the sanctioned demand from August 2013 to June 2017. This observation was made by the audit party.

*"As per Tariff revision order dated 31.3.2012 and 11.12.14 and CFC's Lr No. CFC/GC/FC/DFC/Rev 1/D 185/08 dt 16.8.08 if the contracted demand (or) connected demand exceeds 10HP (power load) the consumer automatically comes to LT tariff IIIB and conditions applicable to LT Tariff IIIB with hold good."*

Therefore, the bill was revised under the IIIB category for the specified period only. Consequently, a short levy of CC charges amounting to Rs. 5,22,051/- was raised for the aforementioned service. An intimation Notice was issued to the consumer on 24.07.2017, informing them of the need to make payment for the sum of Rs.5,22,051/-.

7.7 The Respondent has stated that during the intervening period, the consumer's Maximum Demand (MD) remained within the sanctioned load limit of 8.46KW from May 2017 onwards. This was attributed to the replacement of the two 5HP TEXMO motors with 24 motors, each with a capacity of 335HP. The details of these motors are provided separately. On 23.08.2017, the load was officially regularized, increasing it from 8.46KW to 12KW.

7.8 The Respondent has stated that upon review of the consumer ledger, it was found that the Appellant had continuously exceeded the permissible demand limit from 08/2013 to 06/2017. Excess demand charges have been continuously paid by the Appellant for using more than the permitted demand. According to the existing TNERC's Tariff orders in force (prior to 8/2017), tariffs IIIA1 & IIIA2 are applicable only to consumers who have utilized electrical energy within the permissible demand of 10HP, as this category operates on a load-based tariff system. If a consumer violates this condition and exceeds the permissible limit of 10HP, they should not be allowed to continue under Tariffs IIIA1 & IIIA2. Consequently, an audit objection was raised and in accordance with the rules, the IIIB tariff was adopted, and the additional amount of Rs. 5,22,051/- was demanded.

7.9 The Appellant contends that as per the TNERC Tariff Orders and other orders issued by the Tamilnadu Electricity Board, if there is any change in tariff or contracted demand, the relevant service connection should be inspected on site, the electricity consumer should be notified within a certain period of time, and then the change should be made only after that. However, there was no notice issued to the Appellant when the sanctioned demand was exceeded in the above service connection.

7.10 In this case, the Appellant has paid the penalty amount for using excess demand from 08/2013 till 08/2017 on the basis of auto bill generated in the computer. But the Appellant contended in his contention that he was not informed as per TNERC Supply Code Regulation 5(2) III (A) to adjust the excess demand recorded within one month from the second occurrence of the load approval.

7.11 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. 08/2013 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."*

7.12 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 be revised within one month from the second occurrence of the recorded demand exceeding the sanctioned demand, the consumer shall be informed accordingly and the corresponding charges applicable to the additional power load shall be added to the next bill.

7.13 As per Tariff Order T.O. No. 1 of 2012, dt.30.03.2012, T.P.No.1 of 2013, dt.20.06.2013 and SMT Order No.9 of 2014, dt.11.12.2014, the connected load under LT Tariff III-A(1) and Tariff III-A(2) shall not exceed 10 HP. Further as per the above tariff orders, all industries covered under LT III A(1) and III A(2) shall falls under LT Tariff III-B tariff category, if the connected load of such services exceed 10 HP.

7.14 It is seen from the above that whenever the excess MD occurred, proper notice to be given after the second occurrence within one month and due to excess MD more than 10 HP, the Appellant to be brought from Tariff III-A (1) & (2) to LT Tariff III B as per the Tariff order. While verifying the documents, the Respondent has not given notice on the second occurrence of the excess demand which was confirmed by the Respondent at the time of hearing. Further, the Respondent have not immediately changed the Tariff from IIIA2 to IIIB in spite of collecting the excess MD charges.

7.15 In this regard, I would like to refer regulation 9 of TNERC supply code which is discussed below.

***“9. Meter readings when there is changes in sanctioned demand etc.,***

*(1) Whenever there is change in the sanctioned demand, the change shall be effected, as far as possible, to coincide with the next meter reading. If, however, it is not possible so to do, the meter shall be reset and the maximum demand charges shall be billed proportionately for the respective periods.*

*(2) Whenever a tariff change is to be effected in a service connection, such change shall be effected only after obtaining a Revised Test Report (RTR) and the reading taken shall be conclusive proof of the electricity consumed till the change of tariff.”*

As per the above regulation, if any changes are required in the tariff of electricity connection, such changes should be made only after receiving the revised test report. The reading taken for the revised test report is known to be the current consumption before the change in the tariff list.

7.16 Subsequent to the lapse on the part of Respondent , the licensee’s audit wing have raised a short levy vide audit slip No. 68, dt. 04.08.2017 for an amount of

Rs.5,22,051/- for the period 08/2013 to 08/2017. Having served the audit slip on 24.08.2017 from AE/O&M/Thiruchengode, the Respondent failed to revise the tariff of the Appellant as per regulation of TNE Supply Code. Further, effecting change in tariff category for a consumer in accordance with tariff order shall be the responsibility of TANGEDCO.

7.17 In view of the finding of total procedural lapse on the part of the licensee without regularizing the excess MD by issuing proper notice as per regulation 5(2)(III)(A) and 9 of TNE Supply code, the claim of the Respondent to insist the Appellant to pay the short levy for the period from 08/2013 to 08/2017 for an amount of Rs. 5,22,051/- is disallowed.

## **8.0 Conclusion:**

8.1 As per the finding on in the above paragraphs, the demand notice raised by the Assistant Electrical Engineer/O&M/East/Tiruchengode on 24.08.2017 for an amount totalling Rs.5,22,051/- on the basis of short levy for the period of 08/2013 to 08/2017 is disallowed.

8.2 With the above findings A.P.No.09 of 2024 is finally disposed of by the Electricity Ombudsman. No Costs.

**(N.Kannan)**  
Electricity Ombudsman

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

To

1. Thiru R.Palanisamy,  
S/o.S.M.Ramasamy,  
Thirumankkadu, Cinthampalayam,  
O.Rajapalayam Post, Tiruchengode Taluk,  
Namakkal District.

- By RPAD

2. The Superintending Engineer,  
Namakkal Electricity Distribution Circle,  
TANGEDCO,  
Opp. to Kannan Smart Super Departmental Store,  
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3. The Executive Engineer/O&M/Thiruchengode,  
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4. The Chief Financial Controller/Revenue,(CFC)  
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NPKRR Maaligai, 144, Anna Salai,  
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5. The Chairman & Managing Director,  
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6. The Secretary,  
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