

TAMIL NADU ELECTRICITY OMBUDSMAN

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A.P.No. 94 of 2023

Thiru O.Subramanian, M/s.KTV Edible Oils Private Limited, No. B-68, B-67, SIPCOT Industrial Complex, Gummidipoondi – 601 201.

..... Appellant (Thiru O.Subramanian)

Vs.

- The Executive Engineer/Ponneri,
 Chennai Electricity Distribution Circle/North,
 TANGEDCO,
 33/11KV SS, Ponneri, Thiruvallur dist., Chennai-601201.
- 2. The Assistant Executive Engineer/O&M/Gummidipoondi, Chennai Electricity Distribution Circle/North, TANGEDCO, 33, 11 KVSS, GNT Road, Gummidipoodi, Chennai-601204.
- 3. The Assistant Engineer/O&M/SIPCOT II, Chennai Electricity Distribution Circle/North, TANGEDCO, 110/33/11KVSS, TNEB SIPCOT I SS, Sipcot Industrial Complex, Gummidipoondi, Chennai-601201.

.... Respondents (Thiru V.S. Udhayakumar, EE/Ponneri ThiruA.Murali, AEE/Gummidipoondi ThiruP.Kannan, AE/SIPCOT II)

Petition Received on: 28-12-2023

Date of hearing: 21-02-2024

Date of order: 01-03-2024

The Appeal Petition received on 28.12.2023, filed by Thiru O.Subramanian, M/s.KTV Edible Oils Private Limited, No. B-68, B-67, SIPCOT Industrial Complex, Gummidipoondi – 601 201was registered as Appeal Petition No. 94 of 2023. The above appeal petition came up for hearing before the Electricity Ombudsman on 21.02.2024. 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 refund monthly minimum charges collected from them without completing the works by TANGEDCO for availing new HT service connection.

2.0 Brief History of the case:

- 2.1 The Appellant M/s.KTV Edible Oils Pvt. Ltd has applied for a new HT service connection for a maximum demand of 1700 KVA at 33 KV for the manufacturing industry.
- 2.2 Having paid all the estimate charges by the Appellant, the TANGEDCO had not even completed their basic works to extend supply, but issued a SA notice without proper verification of completion of works.
- 2.3 Hence the appellant has filed a petition with the CGRF of Chennai EDC/North on 21.02.2023requesting to refund of excess estimate charges and the minimum charges collected through the SA notice issued.
- 2.4 The CGRF of Chennai EDC/North has issued an order dated 25.12.2023. 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 Chennai Electricity Distribution Circle/North issued its order on 25.12.2023. The relevant portion of the order is extracted below: -

"Order:

Based on the findings, the Forum views that the contention of the Respondent that the CEIG will inspect only the consumer's equipments, installation and loads and there is no valid reason for not producing the CEIG safety certificate is acceptable to the Forum. Therefore, the Respondent's stand on levying of monthly minimum charges as per Regulation 31 of Tamil Nadu Electricity Distribution Code is in order.

With the above order, 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 in person, a hearing was conducted on 21.02.2024.
- 4.2 The Appellant Thiru O.Subramanian attended the hearing and put forth his arguments.
- 4.3 The Respondents, Thiru V.S. Udhayakumar, EE/Ponneri, Thiru A.Murali, AEE/Gummidipoondi and Thiru P.Kannan, AE/SIPCOT II of Chennai Electricity Distribution Circle/North attended the hearing and put forth their 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 still the 33 KV HT cabled laid by the TANGEDCO were in the same stage without safety / travelling on the rainwater tunnels, joint was projecting on the roads in which the vehicle can damage the cable this was stated several times by letters/ mails and by direct no actions were made.
- 5.2 The Appellant has stated that they are facing frequent power shut downs in rainy seasons, more than two days they had faced power failures in regular intervals, the HT cables were re insulated temporarily by TANGEDCO, this is hugely

affecting their quality/ and production activities, they had completely charged entirely for the laying of cables.

- 5.3 The Appellant has stated that it is very clear that the works were completely done in the first week of Jan 2023, and all the supporting documents with photos were submitted to TANGEDCO, still the TANGEDCO is stating that the safety certificate were not submitted by us, It is very clear that even the HT cable laying termination, CT/PTs were only completed in the month of Jan 2023, hence the minimum monthly charges were considered from Jan 2023. Hence, he has requested to take necessary actions for the safety of HT CABLES which may cause power failures and consider their complaints for fair resolution.
- 5.4 The Appellant has stated that their complaints registered to the CGRF enquiry the HT 33kv cables were in the same condition which is assured in the CGRF meeting, that it will be rectified as per the norms and standards, the cables were transparently passing in the rain water canals, the cable joints provided were above the ground level which may get damaged by the moving vehicles, the check meter provisions were not provided as they were also included in our estimation amount by TANGEDCO. The minimum charges made for us for the 6 months without completing the works was also discussed in the CGRF meeting this was replied to make enquiry with AEE/Development/CEDC/North. We had also stated that we are ready to make the monthly minimum charges after the completion of work date, still for this enquiry also, no reply was given to us, still yet we had already made our full payments against protest to TANGEDCO.
- 5.5 The Appellant has stated that safety laying of cables as per norms for laying the HT cables by TANGEDCO. In old condition expected damages in cables in future, which may cause accidents risks foreseeing life, and property risk if not attended now itself. If any mishappenings happens, fixing of responsibilities by TANGEDCO, that KTV edible oils were not responsible.
- 5.6 The Appellant has stated that loss of profit / business due to damage in cables which disturbs the power supply, as we are continuous running edible oil industry. Local SIPCOT project approvals for laying cables in their roads, which may

be objected later if any mishappenings in cables, which are unsafely laid and should not affect our power supply. Monthly minimum charges collected from them without completing the works by TANGEDCO side for availing new HT service should be refunded to them.

6.0 Arguments of the Respondent:

- 6.1 The Respondent has submitted that the Petitioner, M/s. KTV Edible Oils Pvt., Ltd., Gummidipoondi, has applied for a new HT service connection for a maximum demand of 1700 KVA at 33 KV for the Edible oil manufacturing industry at Plot No. B68, Sipcot Industrial Complex, Gummidipoondi 601 201 on 26.05.2022.
- 6.2 The Respondent has submitted that the petitioner has requested to furnish an undertaking to bear the cost of estimation as per TNE Supply Code Regulation 3, Sub Regulation 3 since the applicant opts for the higher levels of voltages for demand less than the specified on 30.05.2022.
- 6.3 The Respondent has stated that the petitioner has submitted an undertaking to agree the cost of line and associated equipment to be incurred by TANGEDCO to provide supply at 33 KV level on 30.05.2022.
- 6.4 The Respondent has submitted that after obtaining necessary approval from the competent authority to process the application, above said application was registered on 18.08.2022 after making Registration fees along with applicable EMD as per rule in force.
- 6.5 The Respondent has submitted that the proposal towards extension of HT supply in the name of M/s. KTV Edible Oils Pvt., Ltd., Gummidipoondi, for a maximum demand of 1700 KVA at 33 KV was evolved and sanction was obtained from the competent authority on 22.08.2022.
- 6.6 The Respondent has submitted that the advice towards service connection charges, Development charges and Meter Caution Deposit along with load sanction was communicated to the petitioner, vide Lr.No.SE/CEDC/N/EE/GL/AEE/Dev/

AE/D2/F.HT. KTV Oil New/D.896/22 and D.897/22 dt.22.08.2022 and requested to pay the amount within 15 days from the date of receipt of mail.

- 6.7 The Respondent has submitted that the petitioner has paid the above said amount on 05.09.2022 without any protest. He has stated that the petitioner was clearly informed vide letter dated 22.08.2022 stating that "You are requested to produce the CEIG/CEA safety certificate on or before the date of completion of the TANGEDCO side works and avail the HT supply, failing which the 1st 3 months notice will be issued to you from the date of completion of TANGEDCO works to avail the HT supply and you will be levied monthly minimum charges from the date of issue of the 1st 3 months notice" as per Regulation 31 Sub regulation 3 of Tamil Nadu Electricity Distribution code, 2004.
- 6.8 The Respondent has submitted that the TANGEDCO side work towards extension of supply involving laying of 33KV, 3x630 sq.mm XLPE cable along with erection structures up to the consumer premises, has been laid within the SIPCOT industrial Area as per the field conditions and as per the route strictly insisted by the SIPCOT Engineer.
- 6.9 The Respondent has submitted that the 33 KV, 3x630 sq.mm XLPE cable, has been laid based on the site conditions, using trenchless method wherever feasible and some portion manual excavation carefully to avoid damage of already existing 5 Nos. 11kV Cables and to further avoid damage to the existing Drinking water pipes. The Respondent has submitted that 33 KV, 3x630 sq.mm cable have been laid, following standards of TANGEDCO as per the field conditions and all other extension works were completed by 10.11.2022.
- 6.10 The Respondent has stated that after completion of TANGEDCO side works, 1st Supply availability notice was issued as per Regulation 31, Sub Regulation 2 of Tamil Nadu Electricity Distribution Code, 2004 vide Lr.No.SE/CEDC/N/EE/GL/AEE/Dev/AE/D2/F. HT. KTV Oil, New/D. 1364/22 dt.11.11.2022, communicating that due to non producing of CEIG/CEA safety certificate on or before completion of TANGEDCO side work, the applicant was requested to avail the HT supply within three months from the date of issuance of Supply Availability notice i.e., 10.02.2023.

- 6.11 The Respondent has stated that the applicant was communicated vide above letter stating that, they can avail the supply on or before the expiry of first 3 months notice period (i.e. 10.02.2023), otherwise they were requested to pay the monthly minimum charges of Rs.56,10,000/- (Rupees Fifty Six lakhs and Ten Thousand only) for six months period from 11.11.2022 to 10.05.2023 before the expiry of 1st 3 months notice period (i.e. 10.02.2023) for granting further extension of three months time beyond the 1st 3 months notice period to avail the supply.
- 6.12 The Respondent has submitted that the applicant has made the payment of monthly minimum charges for six months period from 11.11.2022 to 10.05.2023 at the notified tariff rate amounting to Rs.56,10,000/- on 09.02.2023.
- 6.13 The Respondent has submitted that the 2nd demand notice was communicated to the applicant vide Lr.No. SE/CEDC/N/EE/GL/AEE/Dev /AE/D2/FHT, KTC Oil.New/D.193/23 dt.09.02.2023, informing that the 2nd 3 months time is granted from 11.02.2023 to 10.05.2023 and they were requested to avail the supply on or before 10.05.2023 or further extended period if any approved as per request, by producing valid CEIG Safety Certificate failing which their HT application would be cancelled and the Agreement would be terminated forfeiting all the charges except MCD remitted as per Reg 31 Sub Regulation (3) of Tamil Nadu Electricity Distribution Code.
- 6.14 The Respondent has stated that the petitioner has submitted the CEIG safety certificate dt.01.03.2023 on 02.03.2023. The clearance has been issued by the Competent Authority to effect the HT supply vide Memo No. SE/CEDC/N/EE/GL/AEE/Dev/AE/D2/F. HT, KTV Oil New/D. 316/23 dt.02.03.2023 and the HT service was effected on 03.03.2023.
- 6.15 The Respondent has stated that it is clear evidence that there is no delay in completion of TANGEDCO works since the service connection was effected on the next day itself i.e.03.03.2023 on production of CEIG safety certificate. Further he stated that CEIG safety Certificate is mandatory as per the TNE Distribution Code 27 Clause (11) and 30 Clause (9) which are reproduced below:

"Regulation 27(11)

The requirement to be notified by the authority through regulations shall be complied with the availing the service condition.

Regulation 30(9)

All the high installations and their associated medium voltage and low voltage installations will have to comply with the applicable safety and security rules prescribed by Authority/Government/Commission".

6.16 The Respondent has stated that the plain reading of the above regulations establishes that it is mandatory to ensure safety and security on the new installations of the Appellant industry. Further, the petitioner had also Informed vide Lr.No. SE/CEDC/N/EE/GL/AEE/Dev/AE/D2/F.HT. KTV Oil New/D.897/22 dt.22.08.2022, which is reproduced below:

"The work will be taken up immediately after payment of the aforesaid amount and execution of agreement by you and the demand will be effected on completion of TANGEDCO side works and on production of CEIG/CEA certificate by you."

- 6.17 The Respondent has stated that the petitioner have been informed the fact well in advance. The petitioner on the other hand, submitted the CEIG Certificate dt.01.03.2023 on 02.03.2023. The petitioner produced the CEIG/CEA safety certificate after the SA Notice issued date on 11.11.2022. Hence, the petitioner's request to refund the monthly minimum charges collected on the issue of SA notice has no merit and pleaded to be rejected.
- 6.18 The Respondent has stated that they condemn about the frequent power shutdowns complained by the petitioner. During the cyclone and severe rain from 03.12.2023 to 05.12.2023, the power supply has been affected throughout SIPCOT Industrial Area due to failure of incoming source feeder to 110kV SIPCOT SS I.
- 6.19 The Respondent has stated that no interruption has been occurred to the petitioner from the date of service connection i.e. 03.03.2023, to till date due to cable fault. He prayed to dismiss the appeal petition.

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.

Whether the contention of the Appellant against the Respondent for claiming monthly minimum charges from the date of issue of supply availability on 11.11.2022 without completion of the Board's side work as per load sanction is tenable?

- 7.2 The Appellant has stated that all works were completed in the first week of January 2023, and all supporting documents with photos were submitted to TANGEDCO. Despite this, TANGEDCO is claiming that safety certificates were not submitted by the Appellant. The Appellant further mentioned that even the HT cable laying termination, CT/PTs were only completed in the month of January 2023. Therefore, the minimum monthly charges were considered from January 2023 onwards.
- 7.3 The Appellant has prayed for the refund of the monthly minimum charges collected from them by TANGEDCO without completing the works necessary for availing a new HT service connection.
- 7.4 During the hearing, the Respondent stated that the petitioner was clearly informed via a letter dated 22.08.2022. In the letter, it was stated that they were requested to produce the CEIG/CEA safety certificate on or before the date of completion of the TANGEDCO side works to avail the HT supply. Failing this, a first three-month notice would be issued from the date of completion of TANGEDCO works, and the petitioner would be levied monthly minimum charges from the date of issue of the first three-month notice as per Regulation 31, Sub-regulation 3 of the Tamil Nadu Electricity Distribution Code, 2004.
- 7.5 The Respondent has stated that the TANGEDCO side work towards the extension of supply, involving laying of 33KV, 3x630 sq.mm XLPE cable along with erection structures up to the consumer premises, has been carried out within the

SIPCOT industrial Area. This was done according to field conditions and following the route strictly insisted upon by the SIPCOT Engineer.

- 7.6 The Respondent has stated that the 33 KV, 3x630 sq.mm XLPE cable has been laid based on the site conditions, utilizing trenchless methods wherever feasible. Additionally, some portions were manually excavated carefully to prevent damage to the already existing 5 Nos. 11kV Cables and to avoid harm to the existing drinking water pipes. The Respondent has submitted that the 33 KV, 3x630 sq.mm cable was laid following TANGEDCO standards as per the field conditions. All other extension works were completed by 10.11.2022.
- 7.7 The Respondent has stated that the applicant was communicated via the above letter, indicating that they could avail the supply on or before the expiry of the 3-months notice period i.e. on 10.02.2023, otherwise, they were requested to pay the monthly minimum charges of Rs.56,10,000/- (Rupees fifty six lakhs and ten thousand only) for a six-month period from 11.11.2022 to 10.05.2023 before the expiry of the first three months notice period (i.e.10.02.2023) for granting further extension of three months time beyond the first three months notice period to avail the supply.
- The Respondent has stated that the applicant made the payment of monthly minimum charges for the six-month period from 11.11.2022 to 10.05.2023 at the notified tariff rate amounting to Rs.56,10,000/- on 09.02.2023. The Respondent further stated that the second demand notice was communicated to the applicant via Letter No. SE/CEDC/N/EE/GL/AEE/Dev/AE/D2/F.HT KTC Oil New/D.193/23 dated 09.02.2023. This letter informed the applicant that the second three-month period was granted from 11.02.2023 to 10.05.2023. They were requested to avail the supply on or before 10.05.2023 or any further extended period, if approved upon request, by producing a valid CEIG Safety Certificate. Failure to do so would result in the cancellation of their HT application, and the Agreement would be terminated, forfeiting all charges except the MCD remitted as per Regulation 31, Sub-Regulation (3) of the Tamil Nadu Electricity Distribution Code.

- 7.9 The Respondent has stated that the petitioner submitted the CEIG safety certificate dated 01.03.2023 on 02.03.2023. Clearance was issued by the Competent Authority to effect the HT supply via Memo No. SE/CEDC/N/EE/GL/AEE/Dev/AE/D2/F. HT/KTV Oil New/D. 316/23 dated 02.03.2023, and the HT service was initiated on 03.03.2023. This serves as clear evidence that there was no delay in completing TANGEDCO works since the service connection was effected on the next day itself, i.e., 03.03.2023, upon production of the CEIG safety certificate. The Respondent further stated that no power supply interruption has occurred due to frequent cable fault.
- 7.10 In this context, the Appellant main issue is the sub-standard cable laying work, but however the quality of the work is rest with the licensee. The Appellant cannot claim non-completion of work by the respondent in time since he failed to submit the CEIG certificate before the first three months supply availability notice dated 11.11.2022 communicated by the Respondent. Further, on scrutiny of the document, the major material of the 33 KV cable of size 1x630 sq. mm has been drawn from the store on 18.10.2022 and cable was laid during the period of 24.10.2022 which was well within the SA notice period of 11.11.2022. Further, the Appellant claimed that the Respondent work was completed during January 2023 cannot be taken as a fact. However, the CEIG certificate submitted by the Appellant on 02.03.2023 has evident that there was a delay on the part of the Appellant to intimate the readiness to avail supply from the Respondent. Further, it is evident that on receipt of the CEIG certificate on 02.03.2023, the supply to the Appellant was extended on 03.03.2023 which reveals that there was no pending work on the Respondent's side. In view of the above, the Appellant claim to refund the monthly minimum charges was rejected.
- 7.11 Further, I would like to refer the judgment issued in similar case by the Hon'ble Madras High Court in W.P. No. 14555 of 2020 between M/s.Anoushka Commodities Pvt. Ltd. and Chairman, TANGEDCO, SE/Chennai EDC/North and Electrical Inspector have ordered as follows:

"XXX

8. In such a backdrop, this Court is of the view that the petitioner having failed to produce the certificate required for availing the service connection on time, is not entitled to seek protection under Section 31(2)(3) under which, the first three months notice was issued. Further, the monthly minimum charges have been collected only as per the Tamil Nadu Electricity supply Code and the rules made there under which is evident from the elaborate counter filed by the respondents. Thus, in the present

case, the question of refund of monthly minimum charges will not arise and this Writ

Petition deserves to be dismissed."

7.12 In the above judgement, the Hon'ble High Court viewed that the petitioner having

failed to produce the certificate required for availing the service connection on time,

is not entitled to seek protection under Section 31(2)(3) under which, the first three

months notice was issued.

8.0 Conclusion:

8.1 From the findings in para 7 above, I conclude that there is no need to refund

the Monthly minimum charges collected through the Supply Availability notice

issued from 11.11.2022 based on the work completion report dated 10.11.2022 of

Respondent and the claim of the Appellant is not considered which was very well

established with the date of receipt of CEIG certificate i.e. on 02.03.2023. The

CEIG certificate is also mandatory on the part of the Appellant for availing supply

from the Respondent. Hence the Appellant's claim for refund of monthly minimum

charges is rejected.

8.2 With the above findings A.P. No. 94 of 2023 is finally disposed of by the

Electricity Ombudsman. No costs.

(N. Kannan)

Electricity Ombudsman

- By RPAD

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

To,

1. Thiru O.Subramanian,

M/s.KTV Edible Oils Private Limited,

No. B-68, B-67, SIPCOT Industrial Complex,

Gummidipoondi – 601 201.

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The Executive Engineer/Ponneri,
 Chennai Electricity Distribution Circle/North,
 TANGEDCO,
 33/11KV SS, Ponneri, Thiruvallur dist., Chennai-601201.

3. The Assistant Executive Engineer/O&M/Gummidipoondi, Chennai Electricity Distribution Circle/North, TANGEDCO, 33, 11 KVSS, GNT Road, Gummidipoodi, Chennai-601204.

4. The Assistant Engineer/O&M/SIPCOT II, Chennai Electricity Distribution Circle/North, TANGEDCO, 110/33/11KVSS, TNEB SIPCOT I SS, Sipcot Industrial Complex, Gummidipoondi, Chennai-601201.

5. The Superintending Engineer, Chennai Electricity Distribution Circle/North, TANGEDCO, Ground Floor, 5B Block, 144, Anna salai, Chennai-600 002. - By Email

6. The Chairman & Managing Director, TANGEDCO, NPKRR Maaligai, 144, Anna Salai, Chennai -600 002.

- By Email

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

- By Email

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

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