

THE STATE ELECTRICITY OMBUDSMAN

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APPEAL PETITION NO. P/158/2015

(Present: V.V. Sathyarajan)

Dated: 11th January 2016

Appellant : Sri. Shajahan A
Chempanazhikom Building,
Kulathupuzha,
Kollam.

Respondent : The Assistant Executive Engineer,
Electrical Sub Division,
Anchal, KSE Board Ltd,
Kollam.

ORDER**Background of the case:**

The appellant is a consumer under Electrical Section, Kulathupuzha, who had applied for electric connection to the newly constructed building owned by him and his two brothers. Since the construction of the building was not fully completed, the estimated load demand above 60 kW, considering the plinth area of the building. Hence it is alleged that the appellant was advised to install a transformer exclusively for him. Accordingly, the appellant submitted an application for power allocation of 60 kW, executed an agreement for availing power and remitted first instalment of estimated amount on 06-02-2013. The respondent effected service connection to the building for residential purpose on 05-03-2013.

Later, on enquiry the appellant was revealed that installation of a separate transformer is required only when the power requirement is above 50 kVA. Hence the appellant requested the respondent not to proceed with the installation of transformer. But the respondent took necessary steps to install the transformer. The appellant raised objections against the installation of the transformer in front of his building and approached the CGRF, Kottarakkara with a request to dismantle the transformer and to refund the amount remitted by him. The Forum disposed the petition vide order OP No. 1448/2015 dated 30-07-2015 with the following directions.

1. The respondent is directed to refund the security deposit remitted by the petitioner and retain the instalment amount remitted by the petitioner.

2. The transformer installed has no use at present or in future and if any inconvenience to the petitioner, the transformer shall be removed after collecting the dismantling charges from the petitioner.

Aggrieved against the above decisions of Forum, the appellant has approached this Authority with this appeal.

Arguments of the appellant:

The appellant and his two brothers had constructed a building in the property owned by them under the jurisdiction of Electrical Section, Kulathupuzha. The portion of the building owned by the appellant was rented out to a private bank on the basis of an agreement executed between them. The Assistant Engineer has informed that a separate transformer is required to be installed for providing connection to the appellant's property and insisted to submit an application for installing a separate transformer. As the appellant has to provide electricity to the bank before the expiry of the agreement, he was forced to submit an application as insisted by the Assistant Engineer, Electrical Section, Kulathupuha.

Later, the appellant has come to note that many high rise buildings bigger than his building was provided electricity without installing a separate transformer. The appellant's allegation is that the respondent befooled him by insisting for a separate transformer exclusively for him. Meanwhile, the appellant had remitted the first installment of the estimated amount for the installation of transformer. The appellant obtained advice from the experts and it is revealed that the installation of a separate transformer is required only in the case of connected load exceeds 50 kVA. So the appellant raised a complaint and objected against the installation of transformer. But the transformer was installed in front of his shop and the same was not commissioned till date. The appellant alleged that the installation of transformer has caused much obstruction to his business.

The appellant further argued that though the CGRF ordered to remove the transformer, the respondent had taken action after realizing the loss from the appellant. The appellant's contention is that the connected load of his portion in the building is only 13602 Watts and the total connected load of the building is 27822 Watts. The energy usage in the building is only 2991 units.

The relief requested by the appellant is to dismantle the transformer and to refund the installment remitted with compensation for the loss sustained by him.

Arguments of the respondent

The respondent stated that the appellant had a commercial complex at Kulathupuzha junction. There were 4 electric connections to the premises under Electrical Section, Kulathupuzha since 1968. During the year 2012, the appellant reconstructed the building. The building was owned by the appellant Sri Shajahan,

Chempanazhikom, Kulathupuzha and his relatives Sri Shooja and Sri Sulfikker. Many individual connections are given in this building subsequent to the completion of the rooms as per requests from the concerned owners. During November 2012, the appellant applied for a domestic connection to the building. While inspecting the premises, it is noticed that the construction of the building was not completed and considering the plinth area of the building under construction, the total demand will be about 60 kW. Hence it is advised to install a transformer exclusively for the applicant. The appellant submitted an application for power allocation for 60 kW on 09-11-2012.

Considering the application, an estimate had been prepared for Rs. 3,10,772/- for installing 1 no. 100 kVA transformer. But the appellant requested for installment facility and the same was sanctioned. The appellant executed an agreement on 04-02-2013 and remitted the first installment on 06-02-2013. Hence the connection to the building for residential purpose was effected on 05-03-2013 (Con No. 10765). Meanwhile, the appellant raised objections against the installation of the transformer in front of the building. Hence the same could not be completed in time. After completing all works for commissioning the transformer, the appellant was requested to install the power evacuation equipments and submit necessary test reports. But he denied furnishing the details with an argument that he doesn't require the transformer for the time being.

It is requested to issue an order for the recovery of the expenditure incurred for the installation of the transformer and allied works from the appellant and the case may be dismissed in favour of the respondent.

Analysis and Findings

The hearing of the case was conducted on 16-12-2015 in my office at Edappally. Sri Shajahan, the appellant, was present and the respondent's side was represented by Smt. B. Rohini Kumar, the Assistant Executive Engineer, Electrical Sub Division, Anchal. They argued the case on the lines stated above.

On a perusal of the appeal petition, the counter statement of the respondent, the averments raised during the hearings, the argument note of the appellant and the facts and circumstances of the case, I came to the following conclusions, leading to the decisions thereof.

On going through the records it can be seen that the appellant submitted an application for a connected load of 60 kW on 09-11-2012 and the respondent had sanctioned an estimate for Rs. 3,10,772.00 for installing 100 kVA transformer for giving supply to the appellant. Subsequently the appellant executed service connection agreement on 04-02-2013 and remitted the first installment towards the estimated cost of the work on 06-02-2013. Accordingly service connection to the building for residential purpose was effected on 05-03-2013 with consumer No. 10765. The appellant's argument is that as the total connected load in the building is below 50 kVA, no separate transformer is required and also raised objection against the installation of transformer in front of his building.

The point to be decided in the case is as to *whether a separate transformer is required for giving service connection to the appellant?*

Apart from the assertions, the only argument put forward by the respondent in this case is based on the plinth area of the building under construction; the total demand of power is about 60 kW. Hence the respondent proposed a separate transformer and prepared an estimate for Rs. 3,10,772.00 for its installations.

As per Regulation 5-1(c) of KSEB Terms and Conditions of Supply, 2005 stipulates that *“The cost estimates for LT consumers shall include the cost of service line and terminal arrangements at the premises of the applicant but shall not include the cost of the meter if connected load is less than 50 KVA. For loads of 50 KVA and above, connection shall be effected only after installation of separate transformer of adequate capacity, the cost of which shall be recovered from the consumer. In such cases the consumer shall provide the **space for erecting such transformer.**”*

Regulation 4 (1) of KSEB Terms and Conditions of Supply, 2005 – deals with Power to recover expenditure, which reads as follows;

“Subject to the conditions under clause 8 of the Code, the Commission authorizes the Board under Section 46 of the Act, to recover in advance from the owner or occupier of any premises requiring supply the expenses reasonably incurred by the Board for providing any electric line or electric plant required specifically for the purpose of giving such supply. The cost estimates for LT consumers shall include the cost of service line and terminal arrangements at the premises of the applicant but shall not include the cost of meter. For loads of 50 kVA and above, connection shall be effected only after installation of separate transformer of adequate capacity, the cost of which shall be recovered from the consumer. In such cases the consumer shall provide the space for erecting such transformer:”

But the appellant’s argument is that as the connected load in his premises is below 50 kVA, it is the responsibility of the licensee to provide service connection without insisting for a separate transformer. The appellant has challenged the wisdom of KSEB, in assessing the connected load of all individual consumers in the building based on plinth area. On a perusal of the documents submitted by the appellant it can be seen that the total connected load in the premises is only 27828 Watts. It can be presumed the installation of the transformer itself was due to misguiding and wrong calculation of power requirement by the respondent. Hence the question of a separate transformer required for giving connection does not arise in this case and the matter is decided in favour of the appellant. The erection of transformer is not in conformity with the relevant provision in the Supply Code. Moreover, the respondent has not observed proper procedure when the appellant objected, instead violated the provisions and installed the transformer.

On verification of the estimate it is observed that the respondent was seen included an amount of Rs. 42,361.00 and the work was not carried out by the

respondent. If the respondent is prudent and act judiciously an amount for Rs. 42,361.00 for metalling and fencing work could have been avoided.

On a close perusal of the records will show that the respondent has not applied due diligence in preparation of the estimate, carrying out the work, proper disposal of the objection raised by the appellant and in total felt as failed to discharge their duty properly. If the officers of the licensee would have shown much care either at the time of taking estimate or on getting an objection from the appellant, this sort of unnecessary litigation could have been avoided.

Decision

In view of the above discussion it is hereby ordered that the respondent is directed to dismantle the transformer and to reimburse the amount remitted by the appellant in this regard at any rate within 30 days from the date of receipt of this communication. The appeal filed by the appellant is found having some merits and is admitted. The related order in OP No. 1448/2015 dated 30-07-2015 of CGRF is modified to the extent as ordered. No order as to costs.

ELECTRICITY OMBUDSMAN

P/158/2015/ Dated: _____

Delivered to:

1. Sri. Shajahan A, Chempanazhikom Building, Kulathupuha, Kollam.
2. The Assistant Executive Engineer, Electrical Sub Division, Anchal, KSE Board Ltd, Kollam.

Copy to:

1. The Secretary, Kerala State Electricity Regulatory Commission, KPFC Bhavanam, Vellayambalam, Thiruvananthapuram-10.
2. The Secretary, KSE Board Limited, Vydhyuthibhavanam, Pattom, Thiruvananthapuram-4.
3. The Chairperson, Consumer Grievance Redressal Forum, Vydhyuthibhavanam, KSE Board Ltd, Kottarakkara - 691 506.