

STATE ELECTRICITY OMBUDSMAN

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REPRESENTATION No: P 51/09

Appellant : M/s Poddar Plantations
Ripon Estate Meppadi 673577
(Represented by GM Sri Shaji K. Zacharia)

Respondent: Kerala State Electricity Board
Represented by
The Assistant Executive Engineer
Electrical Sub Division KALPETTA

ORDER

M/s Poddar Plantations Ripon Estate Meppadi submitted a representation on 10.02.2009 seeking the following relief :

Applications for Power Allocations submitted on 18.7.2005 to be granted under Normal Development work according preference from the date of application Award costs of the proceedings

Counter statements of the Respondent was obtained and hearing of both the parties conducted on 7.7.2009 at Kannur .

The appellant Company has Tea Plantations spread over 1142 acres and a tea factory with production capacity of 24,00,000 Kg per annum in Vythiri taluk Wayanad. The Tea factory is having an HT connection with 600KVA contract demand and also around 412 LT connections .Diesel Engine – driven pumpsets are being used for over head-irrigation of tea gardens during dry spells.

The appellant had submitted Two applications for power allocation to the Assistant Engineer Vythiri and One application for power allocation to the Assistant Engineer Meppady on 18.7.2005 for running 90 HP motor-driven pumpsets for agricultural

purpose each under Minimum Guarantee Scheme and paid Application Fee , Processing Fee etc.

The appellant is aggrieved by not providing connections for the above proposed 90HP motors under MG scheme. They had approached CGRF Kozhikode but their pleas were dismissed .

The representation with the pleas noted above is submitted to the under signed in the above back ground.

The contentions/arguments/points raised by the Appellant in the representation and during the hearing are summarized below:

The appellant's applications were in order at the time of submission .

The authorities have devised schemes to replace the MG schemes and hence the Appellant is entitled to get connections under the scheme that is ordered to replace the MG scheme.

Certificates from the agricultural department officials were submitted to substantiate the claims .

The Appellant was constrained to put diesel driven pump sets into operation to save the tea plants and had incurred an expenditure of Rs 80,86,549/- for the three seasons since the submission of applications to KSEB.

The contentions/arguments/points raised by the Respondent in the counterstatement and during the hearing are summarized below:

The Appellant had requested for connections under MG scheme. But MG scheme was not prevailing in KSEB for agricultural connections. It had been discontinued as per BO (FM)2099/2005/DPC/2/TA/MG Works/2005 dated 08.07.2005.

As the work involves construction of 11KV lines and installation of transformer etc the connection could not be given free of cost.

The above facts were informed to the Appellant as and when their representatives came up to office to discuss the matter.

They had approached the CGRF after 3 years for getting the work done under normal development.

The Respondent has no scheme to provide connection free of cost after extending 11KV lines and installing transformers under normal development.

Discussion and Findings:

The Electricity Act 2003 had come into effect in June 2003. The Supply Code regulations applicable to all the Licensees in the state had come into effect from 23.3.2005. The supply code do not provide for Minimum Guarantee Schemes for line extension works by the Licensees.

Clause 7 of the Supply Code reads as given below:

Power to recover expenditure.- (1) Subject to the conditions under clause 8, the Commission authorizes the Licensee under Section 46 of the Act, to recover from the owner or occupier of any premises requiring supply the expenses reasonably

*incurred by the Licensee for providing any electric line or electrical plant required specifically for the purpose of giving such supply.
Provided that the Licensee shall not be entitled to recover such expenditure if such expenditure is under the scheme approved by the Commission or other wise charged in the Annual Revenue Requirements of the Licensee.
Provided also that, the Licensee may exempt any person requiring connection under clause 8(1) from payment of expenditure if such person is below poverty line requiring supply with a connected load below 500 W or if such person belongs to SC/ST category requiring supply with a connected load below 1000 W.*

It is clear that under the statutes prevailing after March 2005, the Licensees shall take up the works, similar to the ones demanded by the Appellant, only if the cost of the work is recovered from the beneficiary or the cost is included in any specific schemes approved by the KSERC or provided for in the approved ARR & ERC .

Also the KSEB had discontinued the MG Scheme by an order dated 08.07.2005. As such the claim of the Appellant for taking up the works under MG scheme is not acceptable. The contention put up by the Appellant that they had submitted the applications when the MG scheme was in vogue is not correct.

The claim that they are eligible to be put under schemes devised 'to replace the MG scheme' is not reasonable. No schemes are put in place to replace MG scheme under the new environment.

The claims that the Appellant had expended more than Rs 80 lakhs for running the diesel-driven pump sets after July 2005 looks to be naïve. As pointed out by the CGRF they could have obtained electric connections to the three pump sets if they had remitted a fraction of the above sum to KSEB under OYEC scheme in time. I am inclined to disbelieve these figures as I hope that prudent business sense prevails upon the Plantation Company .

Orders:

Under the circum stances explained above and after carefully examining all the evidences, arguments and points furnished by the Appellant and Respondent on the matter, the representation is disposed off with the following orders:

- 1. The contentions raised by the Appellant is support of the reliefs sought for are devoid of merit and hence the representation is dismissed*
- 2. No order on costs.*

Dated this the 22nd day of July 2009 ,

P.PARAMESWARAN
Electricity Ombudsman

No P 51/09 / 293 / dated 27.7.2009

- Forwarded to:
1. Sri Shaji.K.Zacharia
General Manager
M/s Poddar Plantations
Ripon Estate Meppadi 673577
 2. The Assistant Executive Engineer
Electrical Sub Division KALPETTA

Copy to :

1. The Secretary,
Kerala State Electricity Regulatory Commission
KPFC Bhavanam, Vellayambalam,
Thiruvananthapuram 695010
2. The Secretary ,KSE Board,
VaidyuthiBhavanam ,Thiruvananthapuram 695004
3. The Chairman , CGRF,KSE Board ,
VaidyuthiBhavanam Gandhi Road KOZHIKODE 673032