THE STATE ELECTRICITY OMBUDSMAN

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APPEAL PETITION NO.P/066/2014

(Present: Sri. V.V. Sathyarajan) Dated: 27th April 2015

Appellant	:	Sri. P. Sriram Project Director, DMRC, 2nd Floor, GCDA Complex, Eastern Entry Tower, South Railway Station, Ernakulam- 682 016
Respondent	:	The Assistant Executive Engineer, Electrical Sub Division, KSEBoard Ltd, College, Ernakulam (Dt)

<u>ORDER</u>

Background of the case

The appellant is the Project Director of Kochi Metro Rail Project of Delhi Metro Rail Corporation (DMRC). Their office is having power supply connection with consumer No. 23822 under Electrical Section, Girinagar. According to the appellant, DMRC is a public sector undertaking and electricity is not used for any construction purpose in the office. On 06-04-2013, the appellant submitted an application to change tariff from LT VII A to LT VI B. In spite of repeated requests, the tariff was not changed. Hence the appellant approached the CGRF on 18-06-2014 seeking to change tariff from LT VII A to LT VI B. The Forum, after hearing both parties, held that tariff of LT VII A allotted to the office of the DMRC was in order. Aggrieved against the said order, this appeal petition was filed.

Appellant's arguments

DMRC is a public sector undertaking jointly owned by the Central Government and the Delhi State Government. It is having a project office in Kochi, in the 2nd Floor, GCDA complex, Eastern Entry Tower of South Railway Station. The said office is having an electric connection under Electrical Section, Girinagar. The connection was taken originally for the purpose of interior construction of the office on temporary basis. This was made permanent with consumer No. 23822 on 29-06-2011 under LT VII A tariff. Subsequently on completion of construction work and wiring of the building, a separate transformer was installed by the owner of the building, GCDA. Then the full load of DMRC was connected up and the service was regularized with all loads on permanent nature on 09-01-2013. Now

the electricity is being used for the office purpose of DMRC. But the bills are still served under LT VII A tariff. Hence a petition was submitted to the Assistant Engineer, Electrical Section, Girinagar on 06-04-2013, requesting to effect change of tariff from LT VII A to LT VIB applicable to government and public sector offices. Since DMRC is a public sector undertaking jointly owned by the Central Government and Government of Delhi, DMRC is eligible for the tariff category of LT VI B. On 09-06-2014, a letter was received from the Assistant Executive Engineer, Electrical Sub Division, College, Ernakulam, informing that "the tariff applicable for the purpose of office use of DMRC which undertook the construction work of Kochi Metro Rail Project may be treated as LT VII A".

DMRC has been paying electricity charges at tariff rate of LT VII A for the last twenty two months. The electricity is solely used for office purpose. Though DMRC is doing construction work of Metro Rail Project, it is not logical to apply tariff applicable for commercial purpose to the electricity used for office purpose. For construction purpose, electricity is separately availed at the work site itself. No electricity is used from the consumer No. 23822 for any purpose other than for office purpose.

Respondent's arguments

Consumer No. 23822 is registered in favour of the appellant under LT VII A tariff, with 82.826 kW. The said connection was granted to the premises of the appellant on 29-06-2011, for office purpose. Additional load of 65.3 kW was connected to the said premises on 09-01-2013. The purpose for which the connection was granted to the appellant has not changed so far. Unlike in the case of Railways or Airport, no separate tariff is allocated to Metro Rail. LT VI B tariff is allotted to the service oriented Central / State government organizations. The consumer herein is a profit oriented company. The activities carried out by the DMRC are construction activities and its extension works or official works are being carried out in the premises. The activities carried out by the consumer in the premises are commercial in nature and the connection was allotted to the consumer for its official purpose. Therefore the categorization of consumer under LT VII A tariff is just and proper and it will not fall under LT VI B tariff.

Analysis and findings

Hearing of the case was conducted on 16-03-2015 in my chamber at Edappally, Kochi. Sri V.R. Sudhi, Deputy Chief Electrical Engineer, DMRC and Sri. Dennis Rajan, Assistant Electrical Engineer, DMRC represented the appellant's side. Sri. P.K. Sabu, Assistant Executive Engineer, Electrical Sub Division, College and Sri. E.A. Rajan, Nodal Officer (Litigation) Ernakulam Circle represented the respondent's side. Hearing the arguments of appellant and respondent, perusing the petition, statement of facts and other documents and considering all the facts and circumstances of the case, this Authority comes to the following conclusions.

The only question to be decided in this case is as to whether tariff applicable to DMRC project office is LT VII A or LT VI B. At present, electricity bills are issued under LT VIIA When the connection was granted originally to the appellant's premises, it was categorized under LT VII A tariff. The appellant had no objection at that time in levying power charges at the rate of LT VII A. The clear case of the appellant is that interior construction work was

going on there at that time and hence DMRC was prepared to remit charges under LT VII A tariff. Now all such works have reportedly been completed and now full fledged office of the DMRC has been functioning there. In the above circumstances, on 06-04-2013, a petition was submitted to the Assistant Engineer concerned requesting to effect change of tariff from LT VII A to LT VI B. But the KSEB was not in favour of allowing the request. Now it has to be examined as to whether the said act of the Licensee can be justified.

The categorization of tariff clearly shows that LT VI B tariff is applicable to offices and institutions under State / Central Government Corporations, Boards under State / Central Government / Local Bodies, KWA, KSRTC etc. Admittedly DMRC is a corporation jointly owned by Central Government and Delhi State Government. The connection bearing consumer No. 23822 is utilized by an office of the said Corporation, i.e. DMRC for facilitating the office works. No commercial and profit oriented nature of work is being conducted in that office. It is claimed to be an administrative office. The respondents have not been able to substantiate their argument that commercial nature of work is carried out in that office. Moreover it has come to the notice of this Authority that the construction works of the DMRC are carried out at the work sites utilizing separate power connection for that purpose

Decision

In view of the above discussion it is crystal clear that it is just and proper to effect the change of tariff from LT VII A to LT VI B. The respondent is therefore directed to effect the change of tariff from LT VII A to LT VI B within a period of two weeks from the date of receipt of a copy of this order. Due credit may be given to the appellant for the payments already effected. The order of CGRF is set aside. The appeal petition is allowed. No order as to costs.

ELECTRICITY OMBUDSMAN

No.P/066/2014/ /Dated:

Forwarded to:

- 1. Sri. P. Sriram, Project Director, DMRC, 2nd Floor, GCDA Complex, Eastern Entry Tower, South Railway Station, Ernakulam- 682 016
- 2. The Assistant Executive Engineer, Electrical Sub Division, KSEBoard Ltd, College, Ernakulam (Dt)

Copy to:

- 1. The Secretary, Kerala State Electricity Regulatory Commission, KPFC Bhavanam, Vellayambalam, Thiruvananthapuram-10.
- 2. The Secretary, KSE Board Limited, Vydhyuthibhavanam, Pattom, Thiruvananthapuram.
- 3. The Chairperson, Consumer Grievance Redressal Forum, Power House, Power House Buildings, Cemeterymukku, Ernakulam-682 018