#### THE STATE ELECTRICITY OMBUDSMAN

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### APPEAL PETITION NO. P/051/2016

(Present: V.V. Sathyarajan) Dated: 31st October 2016

Appellant : Dr. George Abraham,

Koomullumkunnel House,

Keerampara P.O.,

Kothamangalam, Ernakulam

Respondent : The Assistant Executive Engineer,

Electrical Sub Division,

KSE Board Ltd, Kothamangalam,

Ernakulam.

### <u>ORDER</u>

### **Background of the case:**

The appellant, Sri George Abraham, is a domestic consumer with consumer No. 5899 under Electrical Section, Keerambara, Kothamangalam, who is aggrieved by the exorbitant electricity bill issued to him on 23-02-2016 for an amount of Rs. 12,218.00. So, the appellant approached the Assistant Engineer with a complaint against the impugned bill. Accordingly, the respondent verified the accuracy of the meter by installing a check meter in the premises of the appellant and found that no variations or discrepancies were noticed in the existing meter. Hence the respondent directed the appellant to remit the bill amount. Being aggrieved, the appellant filed a petition before the CGRF, Ernakulam and the Forum disposed of the petition vide order no. CGRF-CR/Comp.04/2016-17/157 dated 27-06-2016 with a finding that the bill dated 23-02-2016 issued to the appellant is in order. Against the decision of the Forum, the appellant has filed this appeal petition before this Authority.

# **Arguments of the appellant:**

The appellant has submitted the following arguments in his appeal petition against the order of the CGRF.

The appellant is a domestic consumer of electricity under Electrical Section of Kerala State Electricity Board, Keerampara, Kothamangalam with consumer No. 1157137005899. The building was not occupied from 30-08-

2015 onwards.	However	the	following	consumptions	were	noticed	in	the	bills
issued from KSEBL.									

Bill date	Meter Reading	Consumption	Amount demanded
20-08-15	21387		
21-10-15	21506	119 units	
22-12-15	22383	877 units	Rs. 565
23-02-16	23200	817 units	Rs. 12218

The meter reader from KSEBL, who found on 22-12-2015 that there is a bimonthly meter consumption of 877 units from 21-10-2015 to 22-12-2015 has charged only Rs. 565.00 for the same and made an endorsement marked as "contact office" on the invoice. Since the amount demanded was only Rs. 565.00, appellant could not understand the seriousness of the situation and telephonically contacted the Section Office and enquired about the details and nobody in that office was aware of such an intimation and he paid the bill on 08-01-2016. After two months, the reading was again taken on 23-2-2016 and a huge demand for Rs. 12,218.00 was issued. As per the consumption recorded, there is a consumption of 817 units recorded for that bi-month.

The appellant realized the seriousness of the issue only on receipt of that bill. On an enquiry in the Section Office it was realized that the meter recorded 877 units from 21-10-2015 to 22-12-2015 and that 817 units recorded from 22-12-2015 to 23-02-2016 and that the present demand for Rs. 12,221.00 is for the entire consumption of 1694 units (877+817) for the last four months after adjusting Rs. 565.00 already paid. Conveniently, the bill dated 23-02-2016 states that Rs. 5,830.00 is in arrears. The word "arrears of charges" is defined in clause 2(11) of the Kerala electricity Supply Code, 2014 as follows "arrears of charges means any charge, along with interest thereon, payable by the consumer to the licensee, in terms of the agreement, which is not paid by the consumer even after the due date". It is respectfully submitted that there was no demand for Rs. 5,830.00 at any time prior to 23-02-2016 and there was no due date for paying that amount and in the absence of demand and due date the amount cannot become arrears.

In the previous bill dated 22-12-2015, the only demand was for Rs. 565.00 and the appellant has paid that amount. It is true that the consumption is recorded in that bill as 877 units and there was an endorsement "contact office". In other words there was serious failure on the part of the meter reader and the responsible staff of the Board to issue proper demands for the recorded consumption in the bill dated 22-12-2015.

Immediately on receipt of the second bill dated 23-02-2016 for Rs. 12,221.00, the appellant approached the Section Office alleging meter fault and they demanded Rs. 210.00 for fixing parallel meter. Accordingly parallel meter

fixed on 03-03-2016 and on the next day, it was noticed that both the meters are recording same consumption. Immediately the appellant demanded disconnection of supply to the premises. But no action was taken by the Section staff for next two days and on the third day, they came and removed the parallel meter and informed that there is internal leakage of electricity. On inspection of internal wiring by the private electrician, it was found that one phase had slight contact with the earth wire which resulted in leakage and the same was reclined then and there. If the Board staff informed this leakage on 22-12-2015, the same could be repaired then and there.

The failure on the part of the Board staff in making proper demand for the consumption detected in the bill dated 22-12-2015 and informing the matter regarding leakage which they had traced from the electronic meter has resulted in all these serious problems. Appellant has submitted a petition before the Assistant Engineer and a disconnection notice dated 15-04-2016 was issued by that officer stating that there is no defect in the meter and that there was earth leakage inside the premises and threatened disconnection unless the entire amount is paid within seven days and insisted the installation of ELCB. The appellant approached the Consumer Grievance Redressal Forum of the KSEBL as per complaint dated 20-04-2016 and the stay was granted on 22-04-2016 for the demand for Rs. 12,221.00 subject to the payment of the bill for an average consumption of the previous three billing cycles. A demand dated 09-05-2016 for Rs. 565.00 was issued by the Assistant Engineer and that was paid by the complainant.

The case was finally heard by the CGRF on 02-06-2016 and a very casual illegal order dated 27-06-2016 was issued blaming the appellant for not responding to the contact office intimation and rejected the complaint and holding that the demand was in order. The order issued by the Consumer Grievance Redressal forum in Complaint No CGRF-CR/Comp.04/2016-17/157 dated 27-06-2016 is liable to be set aside on the following reasons.

- a) The meter installed in the premises of the appellant is an electronic meter. As per Regulation 110 of the Electricity Supply Code, 2014, in case the Led indicator for earth leakage provided in the electronic meter is found to be ON, the meter reader shall inform the consumer that there is leakage in the premises and advise the consumer to get the wiring checked and leakage removed. The Meter reader in this case has utterly failed to inform the matter of leakage to the appellant when he detected the same on 22-12-2016. Instead, he just stated "contact the office" in the demand notice. He should have endorsed the words "rectify earth leakage" and thereby fulfil his statutory duty.
- b) The CGRF has entered into a wrong and baseless absolutely without the support of any material that "Suspecting the meter, the consumer was billed for an average consumption of previous months".

- c) Even assuming that the respondent has submitted such a case regarding suspicion regarding correctness of meter before the CGRF, the Assistant Engineer and team ought to have tested the meter as mentioned in Regulation 113 and 116 of the Electricity Supply Code immediately after 22-12-2015, the date of meter reading, with notice to the consumer. Instead of testing the meter, the licensee was sleeping over the matter for the next two months blaming the consumer for not contacting the office and thereafter issued the heavy bill which the consumer is not legally bound to pay. Here the failure was on the part of the licensee to fulfil the statutory mandates and there is no justification for the CGRF to put the blame on the consumer. In the facts of the case, there was no opportunity for the consumer to doubt the correctness of the meter whereas the licensee alone was having that doubt. As per Regulation 116 of the Supply Code, if the meter is found defective, the licensee may test it at site or otherwise.
- d) The CGRF ought to have found that there is no legal provision enabling the licensee to make an endorsement in the demand notice to the consumer to contact the office. However the consumer contacted the office in response to the notice and there was nobody in that office capable of explaining the details of that request. The appellant was also not aware of the seriousness of the issue because the demand in the first bill dated 22-12-2015 was only Rs. 565.00.
- e) The CGRF went wrong in finding that "in the next monthly bill, the bill was issued by adding the balance amount of the previous month". The CGRF ought to have found that the previous bill was dated 22-12-2015 and the total demand was for Rs. 565.00 and that entire demand was paid by the consumer as per receipt dated 08-01-2016 and there was no balance amount of the previous month to be added along with the bill dated 23-02-2016.
- f) The CGRF ought to have found that there was no arrears due from appellant as on 23-02-2106 and the word "arrears of charges" is defined in clause 2(11) of the Kerala electricity Supply Code, 2014 as follows "arrears of charges means any charge, along with interest thereon, payable by the consumer to the licensee, in terms of the agreement, which is not paid by the consumer even after the due date". It is respectfully submitted that there was no demand for Rs. 5,830.00 at any time prior to 23-02-2016 and there was no due date for paying that amount and in the absence of demand and due date the amount cannot become arrears.
- g) The Forum went wrong in blaming the appellant for not contacting the office of the licensee.

Nature of relief sought from the Ombudsman.

The order No CGRF-CR/Comp 04/2016-17/157 dated 27-06-2016 issued by the Consumer Grievance Redressal Forum of the Kerala State Electricity Board Limited Central Region, Ernakulam may be set aside and the prayers in the complaint may be allowed by setting aside the demand cum disconnection notice dated 15-04-2016 issued by the Assistant Engineer, KSEBL Keerampara, Kothamangalam issued to consumer No 1157137005899 for Rs. 12,221.00.

### **Arguments of the respondent:**

The respondent has put forward the following contentions in the statement of facts filed by him. The petitioner has approached this Honourable State Electricity Ombudsman with farfetched and fallacious averments merely on an experiment basis as there is no real cause of action as alleged by him. Bimonthly meter reading for the consumer is mentioned below.

Month	Meter reading	Consumption	
Feb-15	21103	250	units
Apr-15	21317	214	units
Jun-15	21378	61	units
Aug-15	21387	9	units
Oct-15	21506	119	units
Dec-15	22383	877	units
Feb-16	23200	817	units

In the absence of the genuineness of the bimonthly consumption and the confirmation of the working status of the energy meter, the meter reader demanded only Rs. 565.00 on 22-12-2015 for bimonthly consumption. But the petitioner never contacted with the Assistant Engineer, Electrical Section, Keerampara in order to verify the actual cause of abnormal consumption. The bimonthly meter reading was again taken on 23-02-2016 and 817 units consumption recorded. Hence the demand to Rs. 12,218.00 was served for 1694 units after deducting the paid amount Rs. 565.00. The appellant consumed 1694 units for the period from 21-10-2015 to 23-02-2016 and the demand for Rs. 12,218.00 was prepared only according to the tariff regulations. In order to make more clarity for the demanded amount split up for the last two meter reading sessions was mentioned in separate columns and Rs. 5,830.00 is not an arrear. It was demanded only on 23-02-2016. According to the Supply Code, 2014 Regulation 110 Sub-clause (13), the amount paid as per the provisional bill shall be adjusted against the bill raised on the basis of actual meter reading during subsequent billing cycles. The same procedure adopted in the billing of the appellant.

The bimonthly average consumption prior to 22-12-2015 was 64 units. Hence the endorsement "contact office" is not a failure on the part of the meter

reader but it is a consumer friendly and technically approach to the consumer to confirm the actual reason for the abnormal consumption. The appellant's premises was unoccupied and door-locked at the time of meter reading on 22-12-2015 and the best quick method for intimation of the abnormal consumption was done by the meter reader and written as "contact office". Even though the consumption recorded on 22-12-2015 was 877 units, the meter reader invited the consumer to the office to verify the actual reason for the abnormal consumption. Extraordinary consumption can be recorded either by the actual utilization of the electric power or due to the defects of the installations and meters. Detailed inspection and check up of the energy meter and electrical installations is essential to verify the genuineness of the consumption and only after that the real amount for the recorded units can be served to the consumer.

On receipt of the demand for Rs. 12,218.00 the appellant approached the Section Office on 03-03-2016 alleging the meter fault and a standard meter was installed parallel to the existing meter on 03-03-2016. Consumption recorded by the existing meter and the standard meter is mentioned below.

Date	Existing meter reading	Standard meter reading
03-03-16	23320	219
05-03-16	23340	239

Laxity of the appellant in responding the request of the meter reader 'To contact office" led to prolonged energy waste and the consumer or custodian of this particular premises is alone responsible for the demand created by the spot meter reading and billing. According to the Electricity Act, 2003 the licensee is authorized to maintain supply only up to the lower terminal of the cut-out fuse unit. The earth leakage inside the installations of the petitioner can be detected only after the checking of the entire installation by the appellant and the licensee can never identify this fault and the appellant is liable to the damages inside his premises. After the calibration of the existing meter a disconnection notice was served to the appellant on 15-04-2016 with advice to install an E.L.C.B in order to avoid further earth leakage and electrical accidents. The appellant filed a complaint no. CGRF-CR/Comp/04/2016-17/ before the Honourable CGRF, Central Region and this Forum issued an interim order to collect the demand for bimonthly average consumption for the previous 6 months. An amount of Rs. 565.00 was remitted by the petitioner on 18-05-2016. After detailed hearing and verification of the records and arguments the Honourable CGRF ordered that "The bill dated 23-02-2016 for Rs. 12,218.00 is on order". Hence the petitioner is liable to pay the balance amount of Rs. 11,653.00.

At the time of meter reading during the months of December 2015 and February 2016 nobody was present in the premises and at the time of meter reading earth leakage indication was not displayed in the meter. The meter reader noticed only the abnormal consumption while comparing to the previous six months consumption and intimated to contact the office but the appellant nothing responded positively. The licensee is liable to maintain supply only up to the lower limb of the cut out fuse unit and the irresponsibility of the appellant from 22-12-2015 to 03-03-2016 led to the abnormal consumption for the two billing cycles. In the absence of the appellant or the occupier at the time of meter reading of the consumer number @1157137005899 the meter reader written to "contact office", but the appellant never contacted the office up to 03-03-2016. The appellant's argument about the total demand on 22-12-2015 is 565.00 is absolutely baseless since the bimonthly consumption is 877 units.

According to Regulation 110(13) of Supply Code, 2014, the amount paid as per the provisional bill shall be adjusted against the bill raised on the basis of actual meter reading during subsequent billing cycles. Hence the balance amount for Rs. 5,830.00 was also included in the demand for the month 02/2016. The appellant consumed 1694 units for the period from 21-10-2015 to 23-02-2016 and installation for the standard meter along with the existing meter in the appellant's premises confirmed the correctness of the meter and crystal clear evidence was not submitted by the appellant for the earth leakage. Kerala State Electricity Board Limited allowed subsidised rate of tariff for the domestic consumers and in this particular case 1694 units were consumed by the appellant during the disputed period.

In the above circumstances, this Honourable State Electricity Ombudsman may be pleased to dismiss the petition with the costs to this respondent.

## **Analysis and findings:**

The hearing of the case was conducted on 25-10-2016 in the chamber of Electricity Ombudsman at Edappally, Kochi. Advocate Sri Jose J. Matheikel, has represented for the appellant and Sri. V.O. George, Assistant Executive Engineer, Electrical Sub Division, Kothamangalam has appeared for the respondent's side. On examining the petition, the counter statement of the respondent, the documents attached and the arguments made during the hearing and considering all the facts and circumstances of the case, this Authority comes to the following findings and conclusions leading to the decisions thereof.

The main contention of the appellant is that the licensee has not followed the procedures prescribed in the Supply Code, 2014 mainly Regulations 110(7), (8) & (9). The meter reader issued an invoice only for Rs. 565.00 on 22-12-2015 against a consumption of 877 units instead of charging for the actual units

consumed. There was no reason for the meter reader to demand such a low amount for a recorded consumption of 877 units. Moreover, in the next bimonthly bill for February 2016 consumption recorded for 817 units and demand issued was for Rs. 12,221.00. Due to the failure on the staff of respondent to inform the appellant about the leakage, if any, detected on 22-12-2015 or to issue demand for the recorded consumption for 877 units at that point of time this sort of unwanted situation could have been avoided. According to appellant, Regulation 110(13) has to be read along with Regulation 110(11) and (12) which makes it clear that provisional billing is possible only in the case where meter is not read.

On the other hand, the respondent contended that though it was not mentioned in the invoice, a provisional invoice was issued to the appellant on 22-12-2015, relying on Sub regulation 13 of Regulation 110 of Supply Code, 2014, to justify their action. Further, contended that the meter reader invited the appellant to the office for verifying the actual reason for the abnormal consumption. The reason for the excess consumption can be either by the actual usage of the appellant or due to the defects in the installations and meter. Laxity on the part of appellant in responding to the request of meter reader to "contact office" which created prolonged wastage of energy and the appellant is alone responsible for the excess consumption. Further, it is also contended that the respondents are not responsible for the defects, if any, noticed beyond the cut-out of the appellant.

On a perusal of records it is revealed that the disputed energy meter was tested at the appellant's premises itself, by installing a check meter in tandem with the existing meter; so that both meters carry the same electric current and will measure the same energy, consumed by the appellant. The test so conducted at the site reveals that the two meters are recording exactly the same quantum of energy consumption which shows that the appellant's meter is working in good condition. The respondent has submitted that they have conducted a detailed checking with a reference meter which is tested and calibrated. During the testing it is revealed that there is no difference in the consumption recorded in the appellant's meter and the reference meter.

When the test is undertaken by the respondent on the consumer's meter, it is the best practice to prepare a site mahazar, in the presence of the appellant or his representative, recording the facts of check meter installed, the details of both meters with their seals, recording their initial reading etc on the first day and got it witnessed and then leave both meters in service for one weeks time, for joint working. Similarly, after informing the consumer, a final recording of meter readings in his presence, would have cleared the doubts and the said mahazar so prepared will surely be a valid document before any legal Forum. It is fair and proper to test the accuracy of the meter by installing a check meter in tandem with the existing meter and to prepare a site mahazar as indicated above.

The Kerala Electricity Supply Code, 2014 sheds light into the steps to be taken on electricity leakage. Regulation 65 (2) reads thus: "In the event of any defect or leakage of energy being detected in the installation of the consumer or in any apparatus connected to it, the same shall be disconnected forthwith and the incident intimated to the licensee and the Electrical Inspector". Also as per Regulation 65 (4) the installation of the consumer shall be reconnected by the licensee only with the approval of the Electrical Inspector. Regulation 34 of the Central Electricity Authority (Measures relating to Safety and Electric Supply) Regulations, 2010 reads thus-"Leakage on consumer's premises(1) If the Electrical Inspector or the supplier has reasons to believe that there is leakage in system of a consumer which is likely to affect injuriously the use of electricity by the supplier or by other persons, or which is likely to cause danger, he may give the consumer notice in writing that he desires to inspect and test the consumer's installation.

(2) If on such notice being given the consumer does not give all reasonable facilities for inspection and testing of his installation, or when an insulation resistance of the consumer's installation is so low as to prevent safe use of electricity, the supplier may, and if directed so to do by the Electrical Inspector shall discontinue the supply of electricity to the installation but only after giving to the consumer forty eight hours notice in writing of disconnection of supply and shall not recommence the supply until he or the Electrical Inspector is satisfied that the cause of the leakage has been removed."

As per Regulation 110 (7) of Supply Code, 2014, it shall be the duty of the employee of the licensee or the person duly authorized by the licensee for reading the meter, to check the condition of light emitting devices (LED) on electronic meters.

- $110\ (8)$  In case the LED indicator for earth leakage provided in the electronic meters is found to be 'ON' he shall inform the consumer that there is leakage in the premises and advise the consumer to get the wiring checked and leakage removed.
- $110\ (9)$  The employee of the licensee or the person duly authorized by the licensee for reading the meter shall also inform the concerned officials of the licensee about the leakage.

In this case the meter reader while issuing the bill dated 22-12-2015 for Rs. 565.00 directed the appellant to "contact office". Here the respondent is not able to substantiate any reason for not issuing actual demand for the actual energy recorded or consumed in the meter. It is also pertinent to note that the meter reader did not intimate the concerned officials of the licensee regarding the leakage in the appellant's premises. That means if the argument of the respondent that the appellant is directed to contact the office for the reasons of informing about the suspected leakage in the appellant's premises is true, then

there must be a corresponding intimation to the officers of the licensee as per **Regulation 110 (9) of Supply Code, 2014**. So the argument of the respondent cannot be accepted.

Further, the respondent failed to intimate the appellant about the suspected leakage in his premises as mandated by **Regulation 110 (7), (8) and (9) of Supply Code, 2014**. In addition to that, the respondent failed to show any valid reasons for not issuing proper bill dated 22-12-2015 for the recorded consumption in the appellant's meter. For these reasons there is no justification for the respondent to charge the appellant for Rs. 12,221.00 as arrears with respect to the alleged reading taken on 22-12-2015. There is patent illegality in issuing the arrear bill to the appellant. Without complying with the statutory formalities referred above the issuance of arrear bill in this case is not sustainable before law and liable to be quashed.

With respect to the bill dated February 2016 the meter reading is 23200 and the units consumed for that period is 817. In this regard the appellant admits that a leakage is detected in his premises on inspection by a private electrician. The appellant admitted that one phase had slight contact with the earth wire which resulted in leakage and the same was rectified then and there. So, the energy is consumed in the appellant's premises by way of leakage for which the appellant is responsible in view of the facts that this was inside the installations of the appellant. Hence the licensee is justified in charging the appellant for the energy recorded in the meter for 817 units.

### **Decision**

In view of the above findings, the bill dated 23-02-2016 issued for Rs. 12,221.00 is quashed. The respondent is directed to prepare new bill only for the energy recorded for the month of February 2016 for 817 units. The order of CGRF-CR/Comp.04/2016-17/157 dated 27-06-2016 is hereby set aside. No order as to costs.

**ELECTRICITY OMBUDSMAN** 

P/	051	/2016	/	/Dated:
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Delivered to:

1. Dr. George Abraham, Koomullumkunnel House, Keerampara P.O., Kothamangalam, Ernakulam

2. The Assistant Executive Engineer, Electrical Sub Division, KSE Board Ltd, Kothamangalam, Ernakulam.

# 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, CGRF-CR, 220 kV, KSE Board Limited, Substation Compound, HMT Colony P.O., Kalamassery, PIN: 683 503.