

Before the
MAHARASHTRA ELECTRICITY REGULATORY COMMISSION
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CASE No. 36 of 2002

In the matter of
Application dated 14th November 2002 filed by M/s Shri Halari Powerloom Owners' &
Weavers' Association, Bhiwandi.

Shri P. Subrahmanyam, Chairman
Shri Jayant Deo, Member
Dr Pramod Deo, Member

ORDER

Dated: **February 21, 2003**

The Maharashtra Electricity Regulatory Commission (MERC), in exercise of the powers vested in it under Section 29 of the electricity Regulatory Commissions Act, 1998 and all other powers enabling it in this behalf, has, vide its Order dated May 05, 2000 in Case No.1 of 1999, and 10th January 2002 in Case No. 1 of 2001, determined the tariff for supply of electricity after considering the proposal submitted by the Maharashtra State Electricity Board (MSEB).

(b) The Commission has received an application dated 14.11.2002 from M/s Shri Halari Powerloom Owners' & Weavers' Association, Bhiwandi with the following main prayer [ref. page 11 of the application] that:

- i) *The Respondents be ordered to charge the powerloom consumers on the basis of the flat rate tariff as fixed by this Hon'ble Commission for powerloom category till all the consumers are metered from 1st September 2001.*
- ii) *The Respondents be further ordered not to charge on the basis of average billing and/or supplementary billing on account of recovery without taking into account the actual consumption as shown in the meters of powerloom consumers.*

- iii) *The Respondents should be penalized for non-implementation of the orders of the Hon 'ble Commission of installation of meters and for increased T&D loss as the Hon 'ble Commission may determine.*
- iv) *The Respondent should be ordered to prepare a comprehensive scheme and to obtain necessary sanction from the Competent Authority for better and efficient supply of electricity with proper voltage to powerloom and domestic consumers within the limits of Bhiwandi Nizampur City Corporation.*

(c) The admissibility hearing was first held on 7th January 2003, which has adjourned and again held on 30th January 2003. During the admissibility hearing the counsel submitted that the applicant had filed its application for non-compliance of the Commission's specific directives by the Board, in respect of the following three major counts:

- Installation of Meters
- Billing of the consumers, and
- Transmission & Distribution losses.

Accordingly they requested the commission to grant their prayers.

(d) Regarding installation of meters, the Respondent's counsel submitted that the Board is trying its level best to ensure metered supply to all powerlooms in the State. However, the Board is facing stiff resistance from the local population / consumers in referred geographical area and therefore in a dilemma on how to make further progress in the matter. Though number of complaints were lodged with the local authorities / departments and the matter was taken up with the District Collector level, the ground realities have not improved.

(e) The counsel further submitted that the Bhiwandi Circle area has about 165100 consumers out of which about 34,000 are IP consumers. In this, 28,286 IP consumers are powerloom consumers. Presently, there are 4,45,000 powerlooms and billing had started on flat rate tariff based on connected load, from the year 1996. As per the MERC Order, the Board was to start billing to these IP powerloom consumers on metered tariff from September 2001. However, due to stiff resistance it could not do so.

(f) Regarding the load shedding and poor quality supply issue, the counsel, while referring to High Court judgement in WP No.316 of 2001, submitted that the actual demand is more than the actual receipt of power (actual receipt of power 450 MVA against the demand of more than 550

MVA) due to the unauthorized / illegal connections, non-installation of capacitor, causing very poor power factor of 0.65-0.70 thereby increasing the demand for the same load. Therefore, the Board has to resort to load shedding. Further, CE submitted that augmentation of 220 / 22 KV Kamba sub-station and Temghar sub-station are in progress, which is expected to provide some relief.

(g) The Commission observed that in order to come out of such complex problems facing Bhiwandi areas, the Board and the Applicant Association could sit together and work out a mutually acceptable solution.

(h) The SE, MSEB submitted that one-meter could be installed near the HT side of transformer from which about 20-30 connections could be provided. This will enable to measure the actual consumption of that particular transformer, and irrespective of individual meters, the total quantity of out-going energy could be shared by these consumers on pro-rata / proportionate basis. This will help in energy audit and prevent unauthorized tampering of meter. The SE, Bhiwandi submitted that wherever the meters are found faulty, the said consumers have been charged on average basis till the meter is replaced. He further gave the following working for calculation of average billing:

On an average 200 units consumption for 10.70 hrs / day working / loom.

One loom : 1 HP x 0.746 = 0.746 KW

0.746 x 25 days / month x 10.70 hrs = 199.55 kWh = say 200 units.

Or collectively one can take nearly 18 hours / day working on 0.6 load factor.

(i) The Applicant and the Respondent, after having a detailed discussion, submitted a Consent Terms dated 30.1.2003, copy annexed, as follows:

1. *The parties agree that the MSEB shall fix a meter on the transformer and the consumption recorded in the said meter shall be duly paid for by the consumers connected to the said transformer. In the event, a transformer connects some members of the Shri Halari Association and others, who are not members of the association, the said members shall be duly charged proportionately as per connected load.*
2. *The MSEB shall endeavour to complete this task of installing the meter as mentioned in Clause (i) above within a period of six months.*
3. *During the pendency of the installation, meter on transformer the members of the Petitioners whose meter is being charged at 200 units on the ground that meters are not recorded correctly shall be charged as per following equation:
0.746 x 20 days X 10 Hours = 150 kwh (rounded off)
One Loom = 150 units.*
4. *Liberty to apply to the Hon'ble Commission in case of any contingencies.*

(j). The Commission further directed the Applicant to submit on affidavit, a list of its existing members as on the date of hearing i.e. 30th January 2003, giving details such as (i) addresses, (ii) meter number and (iii) consumer number, a copy of which should also be served on the Respondent (MSEB).

(k). In view of the above (i) submission of consent terms by the contesting parties in presence of their respective legal counsels, and (ii) Commission's directives, the Commission observes that the application dated 14.11.2002 of M/s Shri Halari Powerloom Owners' & Weavers' Association, Bhiwandi does not need any further consideration and, therefore, is disposed.

Thus ordered.

(Jayant Deo)
Member

(Dr Pramod Deo)
Member

(P. Subrahmanyam)
Chairman, MERC.

(M.K. Kundu)
Director (EE) Officiating Secretary, MERC