

**CONSUMER GRIEVANCES REDRESSAL FORUM, SHIMLA**

**Complaint No 1131/202407/21**

**M/s Satluj Jal Vidyut Nigam Limited (SJVNL)**

**Vs**

**Himachal Pradesh State Electricity Board Ltd and Ors**

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**BRIEF FACTS OF CASE–**

- (1) Complaint is filed under Regulations 16, 17 and 18 of the HPERC (Consumer Grievances Redressal Forum and Ombudsman) Regulations, 2013 by M/s Satluj Jal Vidyut Nigam Limited (SJVNL), SVNL Rampur HPS Electricity Supply & Security Division, Bayal, P.O: Koyal, Tehsil Nirmand, District Kullu, HP - 172023;
- (2) Complainant is a Bulk Supply (BS-Two Part) Consumer of Respondent HPSEBL bearing Consumer ID 100014001801. Its connected load is 1900 kW (since 08.12.2017) and is availing electricity supply connection at 22 kV. The Complainant is a Hydel Power Station (HPS) PSU company and receives power supply from Respondent for meeting its auxiliary power supply requirement of power house and associated facilities of the Plant;
- (3) The metering of the Complainant is being done on 22 kV (RHPS) Kotla- Bayal feeder at the 220/66/22 kV Kotla substation of the Respondent;
- (4) The instant matter pertains to defective metering of the Complainant for the period from the time of installation of Meter No HPP 00379 on 08.12.2017 to 08.02.2022 (4 years and 2 months);
- (5) Energy Meter No HPP 00379 was installed in December 2017 after replacing Meter No 11377391. On observing defective metering, Respondent on 24.01.2022 replaced Meter No HPP 00379 with Meter No HPP 00375 in presence of personnel of Complainant. Subsequently, the Metering & Testing (M&T) team of the Respondent visited the said substation on 08.02.2022 (**Annexure C-I / C-II**) which in presence of personnel of Complainant, observed defective metering due to several reasons which are – connection of one phase of CT reversed, ampere meter and selector switch existing in the circuit of the installed meter, CT being of lower class as against

that required of 0.5 class and existing meter working on 3 phase-3 wire setup instead of 3 phase-4 wire setup. Possible issues were resolved and correct metering was established on 08.02.2022. During the visit of the M&T team, personnel from the side of both parties were present. The said reasons which attributed to defective metering had thus existed from the time of installation of Meter No HPP 00379 on 08.12.2017 to 08.02.2022;

- (6) Demand Notice for past period arrears arising from the ibid defective metering existing in past amounting to Rs 3,00,20,610/- was raised by the Respondent upon the Complainant on 11.07.2022 (**Annexure R-N**). This was at the behest of overhauling Complainant's account based upon the log sheets available from the Kotla substation. Forum observes that this Demand Notice dated 11.07.2022 (**Annexure R-N**) refers to a previous letter by Respondent dated 09.03.2022 (**Annexure R-J**) wherein Respondent is observed requesting for the LT side consumption from the Complainant for the period of defective metering. This monetary demand was later reiterated in Demand Notice dated 19.11.2022 (**Annexure R-O**) and on 19.12.2022, persons from both parties had once again visited the substation;
- (7) Thereafter, at the behest of Complainant's letter dated 02.08.2022 and after exchange of various correspondences between parties and after failing to receive LT side consumption from the Complainant and after observing the consumption on the installed meter HPP 00375 for 2 years, the Respondent on 16.01.2024 (**Annexure R-Q**) subsequently revised the ibid demand of Rs 3,00,20,610/- to Rs 2,29,68,548/-. This monetary demand of Rs 2,29,68,548/- was later reiterated in Demand Notice dated 08.04.2024 (**Annexure R-U**), then in Demand Notice dated 03.05.2024 (**Annexure C-VIII / Annexure R-W**);
- (8) On failure of Complainant to make the payment against monetary demand of Rs 2,29,68,548/-, this monetary demand was later raised as sundry in Bill dated 15.05.2024 (**Annexure C-X**) and then as arrears

in bill dated 04.06.2024 (**Annexure C-XI**). The SoP amount of bill is for Rs 2,44,16,020/- including late payment surcharge;

- (9) The Complainant is aggrieved by the impugned Payment Notice dated 27.06.2024 (**Annexure C-XI / Annexure R-Y**) for payment of Rs 2,44,16,074/=, which was raised to it by the Respondent after the Complainant failed to make payment against electricity Bill dated 15.05.2024 (**Annexure R-X**) and electricity Bill dated 04.06.2024 (**Annexure R-X1**). Hence this complaint.

**COMPLAINANT –**

- (10) That in December 2017, meter No 11377391 was changed with meter No HPP 00379;
- (11) That on 24.01.2022, meter No HPP 00379 was changed with new meter No HPP 00375 without any prior information /intimation to it, without associating it, no check meter was installed and without following procedure in Electricity Act. Meters cannot be changed straight away without notice to consumer and principles of natural justice have been violated and Complainant condemned unheard. Even the official of Complainant was a mute spectator;
- (12) That meter in dispute is in Respondent's premises and metering is being done at the done on 22 kV (RHPS) Kotla- Bayal feeder at the 220/66/22 kV Kotla substation of the Respondent to which Complainant has no access and therefore there is no possibility of any mischief by complainant company that that it is being harassed unnecessarily;
- (13) That energy bills raised on monthly basis by the Respondent have all been paid by it without default. Bills and payment record enclosed at **Annexure –I**;
- (14) That on 08.02.2022, officials of Complainant visited the said substation and team from M&T of Respondent was also present. The M&T team conveyed defective metering from December 2017. Minutes of Meeting is placed at **Annexure –II**. This seems wrong since meter must have been installed after proper procedure as per

Electricity Act, 2003 and CEA guidelines. Periodical testing was also responsibility of HPSEBL;

- (15) That on 09.03.2022, letter was received from Respondent requesting for electricity consumption record on LT side which was duly replied by letter dated 22.03.2022 that the same could not be provided for the reason that no provision existed with it to measure and record LT consumption (**Annexure III**) –(Forum observes that this Annexure III is not in terms of either of the mentioned letters stated by the Complainant nor does it have any reference to the said request by the Respondent);
- (16) That Demand Notice dated 11.07.2022 for Rs 03,00,20,610/- was raised by Respondent which was replied vide letter dated 02.08.2022 (**Annexure IV**). –(Forum observes that this Annexure IV is also not in terms of either of the mentioned letters stated by the Complainant);
- (17) That Demand Notice dated 19.11.2022 for Rs 03,00,20,610/- was raised by Respondent which was replied vide letter dated 28.11.2022 (**Annexure V**) and it was conveyed to do a joint visit. –(Forum observes that this Annexure V is also not in terms of either of the mentioned letters stated by the Complainant);
- (18) On 19.12.2022 the said joint meeting was held at Kotla substation where inter-alia it was intimated that energy consumption pattern of current meter cannot be compared with long past 4 years and that no such provision existed in Electricity Act, Code on PERC, 2009 & regulations of 2004 82012 or signed contract agreement between parties (**Annexure VI**). –(Forum observes that this Annexure VI is also not in terms of said joint meeting stated by the Complainant);
- (19) That revised Demand Notice dated 31.01.2024 for Rs 2,29,68,548/- was raised by Respondent (**Annexure VII**). This was replied with reference to testing of meter under CEA (Installation and Operation of Meter Regulations) and that there is large variation in unit consumed / meter reading of 2 years 2022 and 2023 ranging from 23.9% to -163.49% for similar months or seasons and that changed

meter is not approved by NAL. –(Forum observes that this Annexure VII is also not in terms of that stated by the Complainant);

- (20) That revised demand notice was received on 08.04.2024 which was replied vide letter dated 29.04.2024 (**Annexure VIII**) and it was requested to convey relevant specific provision of HPERC Supply Code. A meeting was held where it was decided to share complete data and check meter be installed at Kotla substation and one energy meter at SJVN Averi–(Forum observes that this Annexure VIII is also not in terms of that stated by the Complainant);
- (21) That vide letter dated 27.06.2024 notice was received for payment of outstanding amount of Rs 2,44,16,074/- including surcharge against bill dated 04.06.2024;
- (22) That against bill dated 04.06.2024 amount of Rs 8,00,895.6 was paid on 19.06.2024 which was refunded back to SJVN on 20.06.2024. The HPSEBL was requested to accept the payment (**Annexure XIII**). (Forum could not find this Annexure XIII);
- (23) That the Respondent is demanding arrears of charges since January 2017 to December 2021. However Section 56(2) of the Electricity Act 2003 as well as Supply Code do not permit such action and thus Respondent cannot ask for any arrears or bills since the year 2017;
- (24) In its Rejoinder and the submitted written arguments, the Complainant while reiterating its original stand and while denying the Reply by the Respondent, has stated
  - (a) that the meter no HPP0379 was declared inoperative by Respondent unilaterally without associating the Complainant Company and that the associating of Complainant official is merely to take its signature,
  - (b) that there is no evidence on record in shape of photographs or video recording, that the Respondents were negligent to not send the meter to M&T lab for testing,

- (c) that no legal procedure was followed for change of meters, that almost all actions have been done by the Respondent by Complainant's back,
  - (d) that there was no malfunctioning in meter, that even the calculations made by Respondents is objectionable,
  - (e) that a check meter should have been installed to verify under billing,
  - (f) that demand is hit by limitation under section 56(2) of the Electricity Act,
  - (g) that alleged arrears are not at all recoverable and
  - (h) that the CMRI Monthly Report dated 24.01.2022 has no evidentiary value;
- (25) In re-hearing in the matter, Counsel for Complainant while placing on record National Consumer Disputes Redressal Commission (NCDRC), New Delhi citation in matter of UPPCL Vs Krishan Gopal Rastogi (2007) CPJ 55 (NC) decided on 09.01.2007, submitted before the Forum to consider its written arguments already submitted on 27.11.2024;
- (26) Complainant has sought following reliefs:-
- a) That Respondent be directed to withdraw the impugned Notice dated 27.06.2024 or the same may be quashed and set aside;
  - b) Respondent be directed to accept current billing charges without delay.

**RESPONDENT –**

- (27) That demand is statutory one as the electricity dues are statutory in nature and Complainant cannot evade making payment. Once bona-fide mistake was detected by it supplementary demand has been raised on basis of consumption pattern / actual demand which the distribution licensee has every right to recover as has already been settled by Hon'ble Apex Court in Assistant Engineer (D1) Ajmer Vidyut Vitaran Nigam Ltd and Anr Vs Rahamutullah @ Rahamujulla

- (2020) 4SCC 650 and M/s Prem Cottex Vs Uttar Haryana Vijli Vitran Ltd in Civil Appeal No7235 of 2009 decided on October 5, 2021;
- (28) Respondent has never alleged mischief and it only trying to recover the statutory dues;
- (29) That when meter No HPP00379 was changed and new meter installed on 24.01.2022, this was done in presence of Complainant's employee who has put his signature on the Meter Change Order dated 16.08.2021 (**Annexure B**);
- (30) Monthly energy bills from May 2021 to October 2021 were issued on average basis;
- (31) That there was malfunctioning in old meter due to phase current failure caused by wrong meter connections / wiring defects (December 2017 to January 2021) which was causing huge revenue loss to Board's revenue. The defects observed by the M&T team on on 08.02.2022, which was in presence of official of Complainant, pointed out defective metering due to polarity of one phase of CT being reversed, ampere meter and selector switch being in the circuit of the installed meter and existing meter working on 3 phase-3 wire setup instead of 3 phase-4 wire setup. The polarity was corrected, selector switch bypassed and 3 phase-4 wire converted;
- (32) After rectification of metering defects on 08.02.2022, significant increase in consumption is observed. Comparison is at **Annexure G**. New meter in last 2 years has recorded 34,23,620 units consumption as compared against 12,92,310 units recorded on old meter. In accordance with Sales Manual clause 9.3.5.4, respondent has right to recover outstanding amount after repairing defect of meter;
- (33) That Complainant refused to provide LT metering record. Even when power house of Complainant is not generating power electricity load will still be used which is depicted in **Annexure L**;
- (34) That during period of under billing, based on log sheet data, 70,42,852 units have been consumed but only 6,96,000 units have been billed (**Annexure M**). Log sheet are official record of Kotla

substation of which copies have been given to Complainant with demand notice (**Annexure N**). The Complainant raised doubts on authenticity of the said log record and visited Kotla substation on 19.12.2022. along with Respondent;

- (35) That despite presenting all facts and under billing calculations, Complainant continued to deny under billing. After load consumption became available for 23 months from February 2022 to December 2023, 48,55,930 units (**Annexure P**) amounting to Rs 2,29,68,548/- were seen to be under billed as against only 6,96,000 units billed (**Annexure M**) and accordingly demand notice dated 16.01.2024 (**Annexure Q**) was issued;
- (36) After examining entire years consumption, it is evident that yearly consumption consistently remains between 12 lac to 14 lac units;
- (37) That when payment was not being made by Complainant against Demand Notice, then amount was included as sundry in bill dated 15.05.2024 and later as arrear in bill dated 04.06.2024 (**Annexure X-1**). On non-payment subsequent notice dated 27.06.2024 (**Annexure Y**) with late payment surcharge and notice of disconnection was issued;
- (38) That it has never alleged that the Complainant has done mischief, instead this is a case of overhauling of account for the period of defect;
- (39) Respondent has prayed for dismissal of complaint being devoid of merit.

**ORDER**

- (40) Forum observes that complaint was filed in the last week of July, 2024. Forum has examined the relevant provisions of the Electricity Act, 2003, various relevant Regulations framed by the HP Electricity Regulatory Commission (or the HPERC) including relevant provisions of HPERC (Consumer Grievances Redressal Forum and Ombudsman) Regulations, 2013, HP Electricity Supply Code, 2009 notified by the HPERC on 26.05.2009 and amendments thereto, the Central Electricity Authority (Installation and Operation of meters)



Regulations, 2006 and amendments thereto and record as facts along with pleadings of the parties. Forum has heard and re-heard the parties. The considered opinion of the Forum has been gathered after considering the fair facts, evidences and correspondence placed on record and arguments adduced by both the parties;

- (41) Firstly on the quality of complaint filed, Forum observes that the complaint lacks in its proper filing. From examination of complaint it is observed that Complainant has stated on record that the energy bills and payment record is at **Annexure I**. However Forum did not find this at **Annexure-I** and instead found a letter dated 18.02.2022 by Assistant Engineer (M&T) addressed to the Assistant Engineer Nirmand. In fact from further examination of complaint, Forum observes that Complainant has wrongly referred to nearly all the Annexures while Forum also finds certain stated Annexures missing. Forum observes that the Complainant has raised the complaint in a shoddy manner leaving it for the Forum to seek out the facts from record on its own. Forum observes that it is for the Complainant to prove its case in a rightful and correct manner which is clearly lacking on the part of the Complainant;
- (42) From perusal of complaint, Forum finds various correspondences that have been made by the Complainant with the Respondent. These are placed on record by the Complainant at – Annexures - C-III, C-IV, C-V, C-VI, C-VII, C-IX, C-X, C-XI. Forum has gone through these. Forum finds that these depict other correspondences that may have been exchanged between the parties but which have not been placed on record by the Complainant and thus Forum observes that these merely give an over view of what may have transpired between the parties;
- (43) Now coming to the contention on limitation raised by the Complainant that the demand raised by the Respondent is time barred by 2 years and therefore illegal and against Section 56 of the Electricity Act, 2003, Forum holds that the Hon'ble Apex Court has already settled the law in this regard vide Judgment dated 18.02.2020

in Civil Appeal No 1672 of 2020 titled Assistant Engineer (D1) Ajmer Vidyut Vitaran Nigam Ltd and Anr Vs Rahamutullah alias Rahamujulla (2020) 4SCC 650 and in M/s Prem Cottex Vs Uttar Haryana Vijli Vitran Ltd in Civil Appeal No7235 of 2009 decided on October 5, 2021. In the context of the instant matter, this Forum observes that in Hon'ble Apex Court Judgment dated 18.02.2020 in Civil Appeal No 1672 of 2020, which has further relied upon other Apex Court cases while interpreting section 56(2) of the Electricity Act, 2003, it has been held that section 56(2) does not put any limitation for raising the past dues or arrears, if not discovered earlier due to any mistake. Liability to pay arises on consumption of electricity and obligation to pay when bill is raised. Electricity charges would become first due only when bill is issued by the licensee to the consumer quantifying therein the charges to be paid. Accordingly, the Hon'ble Court has held in clear terms that limitation starts from the date the Bill/ monetary demand is raised which is when the sum becomes first due and it is from this date that the period of limitation of 2 years as provided in section 56(2) of the Electricity Act shall start;

- (44) During the course of hearing in the matter, on ibid issue of limitation, Counsel for Complainant referred to Hon'ble Kerala State Consumer Disputes Redressal Commission Judgment dated 01.06.2018 in Appeal No 354 of 2013 titled Kerala State Electricity Board Vs M.M. Jose. Forum from perusal of this judgment finds that this cannot apply in the facts and circumstances of the instant matter for the reason that this Appeal before the Hon'ble Commission is in terms of section 126 of the Electricity Act, 2003 which is with regard to Assessment for unauthorized use of electricity covered under 'Part XII INVESTIGATION AND ENFORCEMENT' of the Act, whereas the instant matter is different and not with regard to unauthorized use of electricity but with regard to 'arrears of charges for electricity'

covered under ibid Hon'ble Apex Court Judgments referred to in paras supra;

- (45) Thus the Forum rejects the contention of the Complainant with regard to limitation under section 56 of the Electricity Act, 2003. Forum is inclined to agree with the contention of Respondent that present demand is not hit by limitation. Forum holds that the action of the Respondent to raise the monetary demand dated 11.07.2022 (**Annexure R-N**) for Rs 3,00,20,610/- or demand dated 16.01.2024 (**Annexure R-Q**) for Rs 2,29,68,548/- further raised as sundry in Bill dated 15.05.2024 (**Annexure C-X**) and further impugned payment Notice dated 27.06.2024 (**Annexure C-X1**) are of continuous nature and thus the demand is certainly not hit by the limitation period of 2 years under section 56 of the Electricity Act, 2003;
- (46) Complainant, apart from the ibid contention raised on limitation and among many other arguments made, has simply argued and stated on record that the actions of the Respondent are against the CEA and the HPERC Regulations on testing of meters and on overhauling of accounts for the period of defective metering, that there was no defective metering for the disputed period because the removed defective meter was not got tested as per provisions of the Regulations, that the past or future metering / consumption cannot be the basis of overhauling of Complainant's account, that the actions of the Respondent are without the consent of the Complainant and therefore against principle of natural justice;
- (47) Before the Forum proceeds to delve on the contentions and arguments made by the Complainant, it observes that the Complainant has nowhere raised contention that the action of the Respondent is one of mala-fide nature. However, Forum observes that the complaint is indirectly directed at proving the same. The error by Respondent of not timely replacing the defective meter or action of correcting the defective metering on its discovery and consequently raising a monetary demand arising out of such, cannot be held by the Forum to

be a mala-fide action. Whereas a mala-fide demand cannot be raised, however a bona-fide one can certainly be raised. On not finding any mala-fide action on the part of the Respondent to replace the defective meter or to correct the defective metering and consequently to raise the impugned demand, the Forum holds that the action of the Respondent to replace the defective meter or correct the defective metering and consequently raise the impugned demand, is clearly a bona-fide one and well within the right of only the Respondent distribution licensee to do so. Forum holds that when metering becomes defective, then in absence of metering data and record of consumption, such has to be estimated and monies payable against the same have to be recovered from the consumer and this is the right and responsibility of the distribution licensee;

- (48) Before coming to the contention and arguments by Complainant on testing of meter, replacement of defective meter and correction of defective metering, Forum is inclined to dwell upon the arguments by the Complainant on comparison of consumption patterns and seasonal variation in consumption-
- (49) Forum from perusal of complaint, observes that it is an admitted fact on record that the Complainant is a Hydel Power Station (HPS) PSU company and receives power supply from Respondent for meeting its auxiliary load supply requirement of power house and associated facilities of the Plant. The list of equipment and machinery signed by the personnel of Complainant and duly verified by the Respondent on record (**Annexure C-L**) proves that the supply is received by the Complainant for running its auxiliary equipment loads and further depicts the auxiliary equipment load as 1700 kW and other load as 200 kW, constituting total connected load of 1900 kW. From complaint, Forum cannot find that the Complainant may have ever reduced its load;
- (50) Also, as has been discovered by the Respondent after the defective / faulty meter / metering was set right, the Complainant's yearly consumption ranged between 12 lac to 14 lac units. It is a known fact

that annual conditions tend to neutralize the effects of seasonal variations. This is also an established statistical concept. Thus Complainant's contentions that there is variation in unit consumed / meter reading, which ranges from 23.9% to -163.49% for similar months or seasons and that energy consumption pattern of current meter cannot be compared with long past 4 years, is out rightly rejected by the Forum;

- (51) Now the Forum proceeds to delve upon the aspect of metering or defective metering-
- (52) It is a known fact that metering equipment is in the nature of Instrument Transformers such as Current Transformer (or CT) and/or Potential Transformer (PT). Under practical conditions, when electrical parameter inputs in an electrical system, such as voltages and currents to the meter are within safe limits, metering of a consumer may simply be with a meter and without metering equipment. However, when these actually exist at excessively high and unsafe levels, then the said metering equipment is deployed along with the meter to give restricted or practically acceptable and safe electrical parameter inputs to the meter. This is done by stepping down these electrical parameters namely voltages and currents using metering equipment;
- (53) Meter in accordance with statute also implies metering equipment (CT / PT) and connections. Any defect in metering equipment and connections is liable to render the metering faulty or defective, thus causing the meter to incorrectly record the consumption of the Complainant. When the accuracy of metering is under challenge, then it makes a case for the testing of meter or for check meter and accordingly are the provisions enshrined in the HP Electricity Supply Code, 2009 or the CEA Regulations.
- (54) To determine the lost accuracy of meter / metering warrants testing of meter. This is not the case here. Here the case is of failure of meter / metering resulting in faulty / defective metering where the meter failed to correctly record the consumption of the Complainant due to

several defects in the line of metering which were discovered by the Respondent at a belated stage;

- (55) Thus, in the event when metering is faulty /defective and it becomes impossible for the Respondent to discover the exact consumption, the Forum can safely conclude that the consumption of the Complainant over an year should be near its consumption in subsequent years, despite any seasonal variations, unless the Complainant had otherwise shown that its generating plant was either under shut down for the period in dispute or that its own metering depicts consumption in variation to that as may be discovered or estimated by the Respondent, which are conspicuously missing on the part of the Complainant;
- (56) On the Complainant's contention that the action of the Respondent is against the provisions of the CEA (Installation and Operation of Meters) Regulations notified by the CEA and the HP Electricity Supply Code notified by the HPERC, the Forum before it proceeds in the matter, is first inclined to delve into the Regulations notified by the competent authorities –
- (57) Forum for the sake of clarity, hereinafter reproduces the relevant extract of the CEA (Installation and Operation of Meters) Regulations, 2006 notified by the Central Electricity Authority on 17.03.2006 –

Quote:

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***15. Meter failure or discrepancies. –***

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**(2) Consumer meters**

*In case the consumer reports to the licensee about consumer meter readings not commensurate with his consumption of electricity, stoppage of meter, damage to the seal, burning or damage of the meter, the licensee shall take necessary steps as per the procedures given in the Electricity Supply Code of the Appropriate Commission read with the notified conditions of supply of electricity.*

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Un-Quote:

- (58) Because the ibid CEA Regulations provide for condition of failure of meter / metering to be dealt in accordance with the provisions of the Supply Code herein notified by the HPERC and because Complainant has also raised contention on action of the Respondent as being against the provisions of the Supply Code, thus for the sake of clarity, Forum finds it expedient to also reproduce the relevant provisions of code 4.3 and 4.4 of the Supply Code, notified by the HPERC on 26.05.2009—

**Quote**

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**4.3 Testing of Meters .—**

- 4.3.1 *It will be the responsibility of the licensee to satisfy itself regarding the accuracy of a meter before it is installed at the consumer premises.*
- 4.3.2 *The licensee shall maintain such number of accredited testing laboratories as per the standards prescribed by the National Accreditation Board for Testing and Calibration Laboratories (NABL) as the Commission may require and all such laboratories will at least be equipped with testing equipment as provided in the regulations framed by the Authority under Section 55 of the Act.*
- 4.3.3 *After testing in the laboratory, the body of the meter will be duly sealed by an officer(s) authorized by the licensee.*
- 4.3.4 *The licensee may also conduct periodical inspection/testing of the meters installed at the consumer's premises as per Central Electricity Authority (Installation and Operation of Meters) Regulations , 2006 made under Section 55 of the Act.*
- 4.3.5 *The Commission may also require the licensee to undertake third party testing of meters/metering equipment installed at the consumers' premises.*

**4.4 Defective Meters .—**

- 4.4.1 *The licensee will check and have the right to test any meter and metering equipment installed at a consumer's premises if there is a reasonable doubt about its accuracy and the consumer will provide the licensee all necessary assistance in conducting the test. The consumer will have the right to be present during such testing.*
- 4.4.2 (a) *A consumer may request the licensee to test the meter/metering equipment installed in his premises, if he doubts its accuracy. The licensee will undertake such site testing within seven days on payment of fee as specified in the Schedule of General Charges approved by the Commission.*
  - (b) *If, after testing, the meter is found to be defective then the fee deposited in accordance with sub-para (a) will be refunded by adjustment in the electricity bills for the immediately succeeding months. In case, the meter is found to be correct then the licensee will not refund such fee.*
- 4.4.3 *In case a consumer is not satisfied with the site testing of the meter installed in his premises or the meter cannot be tested by the licensee at site then the meter will be removed and packed for testing in the laboratory of the licensee and another duly tested meter will be installed at the premises of such a consumer. In the event the licensee or the consumer apprehends tampering of meter and/or its seals then the licensee and the consumer will jointly seal the packing containing the meter. The seals will be broken and testing undertaken in the laboratory of the licensee in the presence of the consumer, if he so desires.*
- 4.4.4 *In case of testing of a meter, removed from the consumer premises for the purpose of testing in the licensee's laboratory, the consumer would be informed of the date of*

testing at least seven days in advance. The signature of the consumer, or his authorized representative, if present, would be obtained on the Test Result Sheet and a copy thereof shall be supplied to the consumer.

4.4.5 (a) Subject to the provisions in sub para (b), in case a meter installed at a consumer's premises gets burnt/ broken/ defective or stops functioning, a new tested meter will be installed within the time lines specified in the schedule to the Himachal Pradesh Electricity Regulatory Commission (Distribution Licensees' Standard of Performance) Regulations, 2005. If the meter gets burnt, broken or damaged due to reasons attributable to the consumer, the licensee will debit the cost of the meter (if provided by the licensee) to the consumer who will also be informed about his liability to bear the cost.

(b) in case of failure of supply due to the burnt, broken, damaged or defective meter, the licensee shall endeavour to restore the supply on the same day by way of installation of new tested meter.

4.4.6 In case where a meter installed at a consumer's premises is reported to have been stolen and the FIR to this effect has been lodged by the consumer, supply of electricity will be immediately restored by the licensee at consumer's request by installing another tested meter and the cost of the meter shall be recovered from the consumer through electricity bills for the immediate succeeding months.

4.4.7 In respect of the consumer owned defective/burnt/broken meter, the replacement shall be made by way of a licensee owned meter till such time the consumer provides a new meter duly tested as per para 4.3 and the same is installed as per provisions of this Code.

4.4.8 4.4.8 Overhauling of consumer accounts -

(i) If a meter on testing is found to be beyond the limits of accuracy as specified in the regulations framed by the Authority under Section 55 of the Act, the electricity charges for all categories of consumers will be computed in accordance with the said test results for a period of six months immediately preceding -

(a) the date of test in case the meter has been tested at site to the satisfaction of the consumer ; or

(b) the date the defective meter is removed for testing in the laboratory of the licensee where such testing is undertaken at the instance of the licensee ; or

(c) the date of receipt of request from the consumer for testing a meter in the laboratory of the licensee.

Any evidence provided by the consumer about conditions of working and/or occupancy of the concerned premises during the said period(s) which might have a bearing on computation of electricity consumption will, however, be taken into consideration by the licensee.

(ii) The accounts of a consumer will be overhauled for the period a burnt/defective meter remained at site, on the basis of energy consumption of the corresponding period of the previous year after calibrating for the changes in load, if any. In case the average consumption for the corresponding period of the previous year is not available then the consumer will be tentatively billed for the consumption to be assessed in the manner indicated in para 4 of Annexure-A and subsequently adjusted on the basis of actual consumption in the corresponding period of the succeeding year.

(iii) If a consumer is liable to pay an additional amount or is entitled for a refund in consequence of an overhaul of his account in accordance with sub- paras 4.4.8 (i) and (ii), the licensee will effect recovery or adjust the excess amount in the electricity bills of the immediately succeeding months.

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**Un-Quote**



- (59) Forum after perusal of the ibid reproduced CEA Regulations observes that the contentions raised by the Complainant with regard to check meter, laboratories testing of meters or monthly or seasonal variations or of periodical testing are simply arguments not with regard to meter failure but are with regard to testing of meters as specified in the CEA Regulations whereas the instant matter is not one concerning meter accuracy requiring meter testing but one where there is meter / metering failure or defective metering as a result of which Complainant could not be billed correctly against the consumption which may have been done by it in the past;
- (60) On the anvil of the arguments made by the Complainant for testing of meter, Forum observes that the arguments made by Complainant are clearly faulty, far-fetched and untenable in the circumstances of the matter and thus rejects the same. The instant dispute has not arisen for accuracy of meter / metering equipment but has arisen due to monetary demand having been raised by the Respondent upon the Complainant due to failure of meter / metering as a result of which Respondent could not record the exact consumption of Complainant. The ibid reproduced CEA Regulations clearly provide for the condition of failure of meter / metering to be dealt in accordance with the provisions of the Supply Code notified by the appropriate Commission;
- (61) Forum holds that the instant case is not one of determination of accuracy of metering but of faulty / defective metering where there is non-recording by meter of exact consumption made by the Complainant in the past which was discovered and corrected by the Respondent at a belated stage and consequently monetary demand was raised upon the Complainant by the Respondent;
- (62) Further, from bare perusal of the provisions of code 4.3.1 and 4.4.1 of the Supply Code reproduced supra, it becomes clear to the Forum that in absence of any request from the consumer, it is within the licensee's rights to test or get tested the meter including metering equipment installed at the consumer premises. In the instant matter

the Complainant had not requested for the testing nor was accuracy testing done by the Respondent which was not required in the first place itself. It is the right of the distribution licensee to remove, replace a defective meter with another meter and correct any fault preventing it from correctly recording the consumption of the Complainant which has rightly been done by the Respondent. Forum holds that the Respondent licensee has rightly exercised its right of not sending the meter and metering equipment for testing. Further, on having noticed the metering failure, it is the Respondent licensee right to prevent further default / defective metering and take appropriate action and the Complainant cannot raise alarm or dispute to such action of the Respondent;

- (63) Thus Complainant's reliance on National Consumer Disputes Redressal Commission (NCDRC), New Delhi citation in matter of UPPCL Vs Krishan Gopal Rastogi (2007) CPJ 55 (NC) decided on 09.01.2007 is not applicable in the facts and circumstances of the instant matter. This citation is in terms of defective check meters whereas the instant matter is of correcting defective metering and replacing a defective meter with a new one. Thus Forum rejects the reliance of Complainant on the said citation which the Forum holds as not being applicable in the instant matter;
- (64) With regard to the contention of the Complainant that meter replacement was done without putting it to Notice or associating it, Forum is of the considered opinion that obviously the management of the Complainant could not be expected to be present during the replacement of meter. However, record clearly shows that some representative of the Complainant was present who signed the Meter Change Order (or MCO). It cannot rationally and remotely be assumed by the Forum that the representative of the Complainant was coerced by the Respondent into signing the MCO as is being attempted to be portrayed by the Complainant in the instant case;
- (65) Thus, from the foregoing discussion and for the simple reason that the metering was proved defective and corrected by the M&T on

08.02.2022, the Forum rejects the contentions with regard to testing of meters as raised by the Complainant, as being far-fetched and untenable in the circumstances of the matter. Forum holds and concludes that it was not necessary for the Respondent to send the metering equipment for testing or for testing it at site under provisions of Supply Code, 2009. The procedure for testing of meters prescribed in Supply Code or in the CEA Regulations is not applicable in the present matter for the simple reason that accuracy of meter is not under challenge here;

- (66) Forum further observes that the Complainant in its Rejoinder and in the written arguments, while reiterating its original stand and while denying the Reply by the Respondent, has also simply argued that because it cannot be proved that the alleged meter was ever defective therefore there was no defective metering at all in the past and thus alleged arrears are not recoverable;
- (67) It is clearly evident from record that defective / faulty metering has been established by the M&T visit on 08.02.2022 where the personnel of the Complainant were also present. There is nothing on record that may show or suggest that the faulty metering may have previously been corrected between the periods from 08.12.2017 to 08.02.2022. Forum again rejects the arguments of the Complainant as being far-fetched and untenable in the circumstances of the case and safely concludes that metering of the Complainant was faulty or defective for the past period ever since the replacement of meter on 08.12.2017 up till 08.02.2022;
- (68) Once it is established that there indeed was faulty or defective metering from 08.12.2017 to 08.02.2022, the Forum now proceeds to determine the overhauling of Complainant's consumption as a result. The Forum is of the considered opinion that for the purpose of overhauling of account of Complainant in case of defective metering, the actual energy consumption and its metering is two distinct aspects. These two aspects may not at all times be in consonance and there may be disparity between the two at any time, owing to several

reasons such as in-accuracy of meter, meter failure, defective meter/ metering equipment or inputs there-from, defective connections, human error intentional or unintentional etc. Therefore, in the instant complaint when it is established by M&T that there is meter failure / defective metering and for the simple reason that electricity / energy in excess of that recorded during the period of defective metering may have been consumed in the past, which could not be billed owing to such remaining unnoticed, it can safely be held that consumer Complainant, on reasonable estimates, is liable to make good any monetary loss that may have resulted to the Respondent distribution licensee in the past. Non-recording or less recording by a meter cannot be a reason to allow free ride to the Complainant towards the consumption of electricity that was actually made by it in the past. Therefore, in the case of faulty / defective metering, the consumer Complainant is liable to make payments towards the unrecorded part of consumption to be estimated on reasonable grounds or as may be provided in the statute;

- (69) In the considered opinion of the Forum, no one is entitled to adversely use the deficiencies in a system to their advantage, such as to cause loss in any way to the system. The monies in question here is not that of the Complainant or that of the managers of the Respondent but are that of the Respondent Company and thus no one is entitled to cause loss to the Company. Not allowing such loss to be recovered likely results in malpractices and connivances which are detrimental to the system;
- (70) In the matter, Complainant has nowhere shown that its generating plant was either under shut down for the period in dispute or that its own metering may have depicted consumption in less to that as may be discovered or estimated by the Respondent;
- (71) In the instant case, the Respondent had initially on 11.07.2022 (**Annexure R-N**) raised the monetary demand of Rs 3,00,20,610/- on account of defective metering based on the log record of the Kotla Substation which was not acceptable to the Complainant. Record

shows that the Respondent was willing to placate the Complainant to the extent that fresh monetary demand be determined and raised in future when consumption for almost 2 years became available after establishing corrected metering. Accordingly, the Respondent once again raised the monetary demand for the past period based on this metered consumption of a later period. This monetary demand for the past period was raised by the Respondent on 16.01.2024 (**Annexure R-Q**) by revising the ibid demand of Rs 3,00,20,610/- to Rs 2,29,68,548/-. Record shows that this was also not acceptable to the Complainant on various grounds despite the Complainant failing to provide to the Respondent its LT side metered consumption and also failing to prove that it had not used auxiliary and other load to carry out its electricity generation. The Complainant has simply disputed this revised monetary demand on the grounds that newly discovered consumption is not a true reflection of the past consumption without appreciating the fact that defective metering in the past cannot give a true reflection of its consumption which will eventually have to be determined based on reasonable estimates or as may be provided in the statute;

- (72) Considering the facts in the instant complaint, when it is established by M&T that there was faulty / defective metering in the past and after the Forum having safely concluded that there indeed was defective metering in the past, therefore, the Complainant on reasonable estimates or as may be provided in the statute, is liable to pay for the shortfall with regard to billed consumption in the past vis-à-vis consumption that may have taken place. Regulations cannot be read in isolation. In fact, further perusal of the relevant part of the ibid reproduced Supply Code reveals that sub-code 4.4.8(ii) and 4.4.8(iii) do provide for overhauling of consumer account for the period the defective metering remained at site and further that the consumer is liable to pay an additional amount on this ground;
- (73) In accordance with code 4.4.8 (i) the period of 6 months of overhauling of consumer account is applicable only under the

condition where accuracy of meter is involved for the simple reason that it cannot be established since when did the accuracy of meter distort. As has already been held by the Forum in paras supra, that the instant dispute is not one where testing of meter becomes a question but where it is a question of validity of monetary demand being in accordance with statute which was raised at the behest of meter/ metering failure or faulty / defective metering;

- (74) Forum from averments on record made by the Complainant observes that the Complainant uses the instant electrical connection for meeting its auxiliary supply requirements for its electricity generation. However, in all the averment and arguments made by the Complainant Forum does not find anything that may prove that the Complainant for the period of disputed arrears from December 2017 onwards had ever shut down its operations or reduced its load so as to cause less consumption for its auxiliary equipment or other loads such grossly being in variation to its consumption discovered after the metering was set right and neither can the Forum find anything on record that may suggest that the Complainant's electricity generation during the period of dispute may have ever been shut down so as not to cause any consumption on account of auxiliaries. This has clearly not been established by the Complainant. The Complainant has merely argued that the overhauling of the consumption of the Complainant by the Respondent is hit by estimation which is prone to error due to factors like seasonal variation etc. Forum is of the considered opinion that unless Complainant's plant is shut down, its annual consumption on account of auxiliaries and other load shall by and large tend to remain the same or similar over an year or over long periods as was discovered later by the Respondent ie after correct metering was established;
- (75) The fact that the Complainant has nowhere shown that its generating station /power plant was ever shut down or that it was not in use of its auxiliary equipment, it can safely be concluded that the Complainant

has used electricity received from the Respondent which is in excess of that recorded during the period of defective metering;

- (76) The fact that for the period of dispute there was defective metering, Forum holds that for this period it will be wrong and unreasonable to expect the Respondent to establish with proof the exact consumption of the Complainant. To expect this of the Respondent by the Complainant especially when the Complainant itself failed to provide to the Respondent the LT metering / consumption data for whatever reason best known to the Complainant, shall be unreasonable;
- (77) Thus in absence of proof by the Complainant that it has not generated or has not used electricity supply for its auxiliaries during the disputed period and for other reasons as discussed in foregoing part of this Order, the only conclusion that can be drawn by the Forum is that the Complainant has used electricity in excess of that billed in the past, which the Complainant is now liable to pay, such being a statutory charge determined in accordance with the Tariff Orders passed by the Ld HPERC;
- (78) Further, Forum is of the considered opinion that the Respondent purchases or incurs cost for the electricity to be supplied to consumers and Complainant being one amongst them, then the Complainant is liable to return to the Respondent the said cost incurred for the consumption done by it which in this case is in excess of that previously billed;
- (79) Once it is established by the Forum that the Complainant has used electricity in excess of that billed during the period of defective metering, Forum now proceeds to determine the overhauling of Complainant account for the said period of defective metering -
- (80) From perusal of the ibid reproduced provisions of code 4.4.8 (ii) of the Supply Code, Forum finds that the Regulations do provide for and allow for overhauling of consumer accounts for the period a burnt or defective meter remained at site and that there is no bar on the period for which such overhauling is to be done;

- (81) Forum finds in the instant case that the Respondent had made necessary efforts to ascertain or estimate the consumption of the Complainant for the period of defective metering from 08.12.2017 to 08.02.2022. However, as observed from letter dated 02.08.2022 (**Annexure C-III**), the Complainant while suggesting study of load pattern along with observing the meter reading for 5 to 6 months, first refused the demand dated 11.07.2022 (**Annexure R-N**) for Rs 3,00,20,610/- under the pretext that consumption based on log sheets available from the Kotla substation are unsigned, are not legible, are with white fluid. Thereafter, as is observed from Complainant's letter dated 01.06.2023 (**Annexure C-V**) by the Forum, under the pretext that energy consumption pattern of current period cannot be compared with long past and that there is no provision in Supply Code and in Agreement between parties for such and that there exists no case of under billing against it, the Complainant once again refused the said Demand Notice. Forum observes that this demand was in terms of estimation based upon past period consumption;
- (82) Further, vide its letter dated 31.01.2024 (**Annexure-VI**), the Complainant again refused the subsequent demand raised by the Respondent vide Notice dated 16.01.2024 (**Annexure R-Q**), for Rs 2,29,68,548/- which was based on recorded consumption of Complainant for period of almost 2 years after the defective metering was set right;
- (83) Forum also finds from perusal of the ibid reproduced provisions of sub-code 4.4.8 (ii) of the Supply Code, that this code does cover and provide for the condition when average consumption of corresponding past period is not available, then the consumption shall be assessed in the manner indicated in para 4 of Annexure A;
- (84) Complainant in its complaint has stated that the action of the Respondent is against the Supply Code. Thus it leaves no doubt in the mind of the Forum that the Complainant is well aware of the provisions of the Supply Code. Forum observes that clearly the Complainant on one pretext or the other has been refusing to pay the



monetary demand raised by the Respondent for the short assessment in consumption during the period of defective metering in the past;

- (85) Forum holds that dispute raised by the Complainant is simply intended to deprive the Respondent of its legitimate statutory dues by unnecessarily seeking justification for the accuracy of units assessed for the period of defective metering and also for the calculation of the raised monetary demand against the said assessed units for the period of defective metering;
- (86) As has been held in paras supra that the Complainant has used electricity in excess of that billed during the period of defective metering for which the monetary demand has been raised by the Respondent, Forum further holds that the action of the Respondent is already in line with the statute namely the HP Electricity Supply Code, 2009 notified by the HPERC and accordingly upholds the monetary demands raised for the past period defective metering for the short assessment of consumption, vide Notice dated 16.01.2024 (**Annexure R-Q**) further raised as sundry in electricity bill dated 15.05.2024 (**Annexure C-X**) and then as arrears along with late payment surcharge in bill dated 04.06.2024 (**Annexure C-XI**);
- (87) In view of foregoing, the Complainant is directed to pay the said demand raised in in bill dated 04.06.2024 (**Annexure C-XI**) within 10 days of this Order, failing which the Respondent is directed to take action in accordance with the extant statute / Regulations including that of disconnection for non-payment;
- (88) Further, the ibid monetary demand is upheld to the extent the same is in line with para 4 of the Annexure A as provided in ibid sub-code 4.4.8(ii) of the Supply Code which the Respondent is directed to re-determine month-wise. After adjusting for the monies paid by the Complainant as directed in paras supra, the monetary demand so re-determined in accordance with this said para 4 of the Annexure A as provided in sub-code 4.4.8 (ii) of the Supply Code which shall be raised upon the Complainant within 10 days from this Order;

- (89) In the event the demand so determined is less than that already paid by the Complainant, then the Respondent shall refund the excess amount received in the next bill. In the event the demand so re-determined in accordance with said para 4 of the Annexure A as provided in sub-code 4.4.8 (ii) of the Supply Code, is more than that already raised by the Respondent, then the Complainant is directed to pay the same within 10 days of the date of demand so raised, failing which the Respondent is directed to take action in accordance with the extant statute / Regulations including that of disconnection for non-payment;
- (90) Accordingly, the ibid demands raised on 16.01.2024 (**Annexure R-Q**) further raised as sundry in electricity bill dated 15.05.2024 (**Annexure C-X**) and then as arrears along with late payment surcharge in bill dated 04.06.2024 (**Annexure C-XI**) and the ibid demand re-determined and raised pursuant to para 4 of the Annexure A as provided in code 4.4.8 (ii) of the Supply Code, shall deem to have been raised from the date original monthly consumption was billed against less metered consumption during period of said defective metering;
- (91) Further the Forum has found the above actions of the Complainant to delay the dues of the Respondent, to clearly amount to re-dressal of its own dispute especially when it is not an adjudicating authority. This has resulted in Respondent being deprived of its legitimate dues for a long period. This Forum has existed even before the date the dispute originally arose to the Complainant and accordingly the Complainant was at liberty at all times to approach this Forum for resolution of its dispute which it eventually did by filing this complaint. However, the Complainant in the process failed to appreciate the fact that the delay entails a cost;
- (92) Thus, in accordance with code 5.7.3 of the HP Electricity Supply Code, 2009 and amendments thereto, Interest shall now be payable by the Complainant from the date original monthly consumption was

billed against less metered consumption during period of said defective metering months to the time the amount is fully paid by the Complainant in accordance with this Order;

- (93) The Respondent is directed to raise the demand on account of this Interest within 10 days from this Order and the Complainant is directed to pay the same within 10 days of the demand so raised, failing which the Respondent shall be at liberty to take action in accordance with the extant statute / Regulations including that of disconnection for non-payment;
- (94) It is made clear that no Interest shall be chargeable from the Complainant for the period the complaint was before this Forum;
- (95) It is also made clear that in case any amount becomes refundable to the Complainant as a result of payment by the Complainant in pursuance to this Order, then the Respondent is directed to refund the same along with Interest in accordance with ibid code 5.7.3 of the HP Electricity Supply Code, 2009 and amendments thereto, in the next electricity bill to be raised to the Complainant

On aforesaid terms, complaint is **Dismissed** and accordingly disposed.

Parties are left to bear their own costs.

Order is announced before the parties present today on 28.03.2025 at Shimla in open Forum.

Certified copies of this Order be supplied to the parties.

The complaint along with this Order be consigned to record room for safe custody.

**Date: 28.03.2025**

**Shimla**

--Sd--

**Vikas Gupta  
(Member)**

--Sd--

**Tushar Gupta  
(Chairperson)**

**CONSUMERS GRIEVANCES REDRESSAL FORUM AT KASUMPTI, SHIMLA-9.**

**Complaint No.: - 1131/202407/21**  
**Date of Admission: - 30.07.2024**  
**Quorum: - Er. Tushar Gupta, Chairman**  
**Er. Vikas Gupta, Member**

**In ref:-**

M/s Satluj Jal Vidyut Nigam Limited (SJVN),  
SJVN, Rampur HPS Electricity Supply & Security Division  
Banyal, P.O. Koyal, Tehsil Nirmand, District, Kullu (H.P.)  
**Complainant**

**V/s.**

**HPSEBL & Others.**

**Respondents**

1. The Executive Director (Pers.),  
HPSEBL, Vidyut Bhawan,  
Shimla-171004.
2. The Superintending Engineer (HPSEBL),  
(OP) Circle, HPSEBL, Rampur Bushahar,  
District Shimla (H.P.)
3. The Sr. Executive Engineer, HPSEBL,  
Electrical Circle, Ani Distt. Kullu (H.P.).

**Respondents**

**Final hearing:- 12.03.2025.**

**Counsels:-**

Complainant	1. Sh. Shashi Bhushan, Advocate
Respondent	1. Sh. Rajesh Kashyap, Advocate. 2. Sh. Kamlesh Saklani US Law

**Date of Decision:- 28.03.2025**

**Notice**

**Registered**  
**CONSUMERS GRIEVANCES REDRESSAL FORUM AT KASUMPTI**  
**SHIMLA-171009.**

**No. CGRF/Complaint No. 1131/202407/21**

**Dated:-**

M/s Satluj Jal Vidyut Nigam Limited (SJVNL),  
SJVNL, Rampur HPS Electricity Supply & Security Division  
Banyal, P.O. Koyal, Tehsil Nirmand, District, Kullu (H.P.)

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District Shimla (H.P.)
3. The Sr. Executive Engineer, HPSEBL,  
Electrical Circle, Anil Distt. Kullu (H.P.).

**Respondents**

The Certified copy of final order dated 28.03.2025 passed by the Hon'ble Forum in the aforesaid complaint is enclosed find herewith for further necessary action at your end please. The compliance be reported/ intimated within one month after the receipt of order in the office.

**DA:-As above.**

Secretary,  
Consumers Grievances Redressal Forum,  
HPSEBL, Kasumpti Shimla-9.