



A consumer is the important visitor on our premises.  
He is not dependent on us. We are dependent on him.  
-Mahatma Gandhi

## **TAMIL NADU ELECTRICITY OMBUDSMAN**

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**Before The Tamil Nadu Electricity Ombudsman, Chennai**

**Present : Thiru. N.Kannan, Electricity Ombudsman**

**A.P.No. 08 of 2025**

Thiru M.K.Ganesan,  
No.2/818, VOC Nagar, Soolakarai Medu,  
Virudhunagar – 626 003.

. . . . . Appellant  
(Thiru M.K.Ganesan)

Vs.

1. The Executive Engineer/Distribution/Virudhunagar,  
Virudhunagar Electricity Distribution Circle,  
TNPDC,  
Ramamoorthy Road, Virudhunagar-626001.

2. The Assistant Executive Engineer/Rural/ Virudhunagar,  
Virudhunagar Electricity Distribution Circle,  
TNPDC,  
Ramamoorthy Road, Virudhunagar-626001.

3. The Assistant Engineer/ Distribution/Soolakarai,  
Virudhunagar Electricity Distribution Circle,  
TNPDC,  
Soolakarai-626003.

. . . . Respondents  
(Thiru T. Muralidharan, EE/ Distribution/Virudhunagar  
Tmt. A.B. Sneha, AE/ Distribution/Soolakarai)

**Petition Received on: 29-01-2025**

**Date of hearing Scheduled: 13-03-2025**

**Postponed on: 17-04-2025**

**Date of order: 28-04-2025**

The Appeal Petition received on 29.01.2025, filed by Thiru M.K.Ganesan, No.2/818, VOC Nagar, Soolakarai Medu, Virudhunagar – 626 003 was registered as Appeal Petition No. 08 of 2025. The above appeal petition was scheduled to hear on 13.03.2025. But as per the request of the Appellant it was postponed and rescheduled on 17.04.2025. Upon perusing the Appeal Petition, Counter affidavit, written argument, and the oral submission made on the hearing date from both the parties, the Electricity Ombudsman passes the following order.

### **ORDER**

**1. Prayer of the Appellant:**

The Appellant has prayed to refund the charges collected towards erection of distribution transformer and associated equipments and to pay a monthly rent for the area covered by the TANGEDCO infrastructure till the point of DT inside his own land.

**2.0 Brief History of the case:**

2.1 The Appellant has prayed to refund the charges collected towards erection of distribution transformer and associated equipments and to pay a monthly rent for the area covered by the TANGEDCO infrastructure till the point of DT inside his own land.

2.2 The Respondent has stated that the DT structure was erected inside his land, the cost of DT was not collected from the Appellant, only the DT structure cost could be refunded to him as per the TNERC regulations.

2.3 Not satisfied with the Respondent's reply, the Appellant filed a petition with the CGRF of Virudhunagar EDC.

2.4 The CGRF of Virudhunagar EDC has issued an order dated 13.01.2025. Aggrieved over the order, the Appellant has preferred this appeal petition before the Electricity Ombudsman.

### **3.0 Orders of the CGRF :**

3.1 The CGRF of Virudhunagar issued its order on 13.01.2025. The relevant portion of the order is extracted below: -

**“Order:**

*As per the above findings, it is directed the Respondent to revise the estimate as per the TNERC Distribution Code Regulation 29(11)(c) and adjust the excess demand charges collected from him in the Petitioner’s forthcoming CC bills.*

*A Compliance report shall be submitted by the Respondent in this regard. With the above findings and Order, the CGRF Petition No: 53/2024 is finally disposed off by the CGRF and closed.”*

### **4.0 Hearing held by the Electricity Ombudsman:**

4.1 To enable the Appellant and the Respondents to put forth their arguments, a hearing was scheduled on 13.03.2025. But as per the request of the Appellant hearing was postponed and conducted on 17.04.2025 through video conferencing.

4.2 The Appellant Thiru M.K.Ganesan attended the hearing and put forth his arguments.

4.3 The Respondents Thiru T. Muralidharan, EE/ Distribution/Virudhunagar and Tmt. A.B. Sneha, AE/ Distribution/Soolakarai of Virudhunagar EDC attended the hearing and put forth their arguments.

4.4 As the Electricity Ombudsman is the appellate authority, only the prayers which were submitted before the CGRF are considered for issuing orders. Further, the prayer which requires relief under the Regulations for CGRF and Electricity Ombudsman, 2004 alone is discussed hereunder.

### **5.0 Arguments of the Appellant:**

5.1 The Appellant Thiru. MK Ganesan has stated that he is a retired Chief Manager (Civil Engineering wing), CIL. A Maharatna Govt. of India U/T and a graduate Civil Engineer from PSG College of Technology, Coimbatore. After retirement he started a Small industry under MSME category with Electricity Service Connection no. 229-013-753.

5.2 The Appellant has stated that for providing electrical infrastructure the TNEB charged exorbitant amount to the tune of Rs.11,30,630/- in the name of providing electrical infrastructure inside his own land including the industrial premises. The location of factory is situated at 500m from the public road as per statutory requirement of Tamilnadu Government with well developed road for transportation.

5.3 The Appellant has stated that he appealed to the CGRF, TPDCL for refund of exorbitant amount collected from him because he provided them the required land free of cost as per TEDC regulations 29(5). But nowhere it is mentioned to provide infrastructure cost by the owner/consumer/Applicant of the land. (Please refer findings of CGRF serial no. 5.4).

5.4 The Appellant has stated that again they argue through their Order by quoting TEDC regulation 29(11)(C) vide their findings 5.6 the cost of infrastructure estimate shall be borne by the Applicant. As per the regulation, the cost of estimate for connecting DT to the meter kept inside the premises is applicable and it is to be paid by the Applicant but not for the transmission line along the entire road.

5.5 The Appellant has stated that they used the referred regulation for their own view and perception and not according to the Distribution Code. But a Consumer can't pay everything like land, material and installation cost for transmission and distribution, meter, development charge etc and development fees on every month basis. In a democratic setup it is a kind of tyrant action. What is the meaning of paying development fees every month once the cost of all installation except DT is already paid by him and moreover when he gave land free means it is like a public place the installation charges should be borne by the TNEB because they make it a electricity off take point for public, if he pay the cost of infrastructure then why should he lend his land free. So please visualise in this manner regarding this Order. The Order issued by them can't be changed but you can help to change the perception of theirs.

5.6 The Appellant has requested to direct them to pay a monthly rent for the area covered by the Tamilnadu Power Distribution Corporation Limited (TNEB) infrastructure till the point of DT inside his own land.

5.7 The Appellant has stated that the total area covered is around 1700ft x 10ft totaling 17000sqft. The applicable rate per sqft in this area is Rs.10/- per month since the power distribution is a commercial one and the obligations of TNEB is to serve other consumers (public) from this DT point if required or demanded by public. Hence, the amount supposed to be paid by the TNEB before deducting CC every month is around Rs.1,70,000/-(One lakh seventy thousand) only.

5.8 The Appellant has prayed to consider the facts and presentation given by him to grant a monthly rent of Rs 1,70,000/- and direct concerned officials to pay the rent every month to him.

#### **6.0 Arguments of the Respondent:**

6.1 The Respondent has submitted that Thiru. M.K.Ganesan is provided with a three phase electric service connection in his industry located in the Kullurchandhai Village, Virudhunagar. Initially, for getting this service, he made an application with the Respondent on 20.02.2021 and subsequently paid the required charges which include the Registration fees with GST (Rs.118/-), Service Connection Charges (Rs.1000/-), EMD for Industrial Service (Rs.59400/-), Meter Caution Deposit (Ps.3000/-) and Development Charges (Rs.99000/-), totaling to a sum of Rs.1,62,518/-

6.2 The Respondent has submitted that thereafter, the site was inspected and found that the Applicant has built his Industrial Unit building & Service point building in his premises, at a distance far away from the public road, that is to say, about 350 meters, so as to suit his own requirements. As such, he had not made provision for service connection point in any way nearer to the government public road.

6.3 The Respondent has submitted that the extension work therefore, involved the erection of HT 11 KV 3 wire line for 420 meters length along the public road.

Beyond that, the HT line has to be extended for a further length of around 350 meters in his premises, as stated earlier. The 250 KVA Distribution Transformer Structure was also erected and again LT line for about a distance of 40m was also laid up to the metering point. The cost for the estimate has been split into two heads, namely, the distance of line covered in the public road incurred by the Corporation and the charges for erection of line in his own premises was collected from the intending consumer. This was done in accordance with the TNE Distribution Code Regulation 29(11)(c) which is extracted below:

*"Installation of Distribution Transformer with associated equipment/accessories viz AB Switch, HG Fuse, DT Structure/ Pole shall be carried out by the licensee at the licensee's cost. The cost of installation works from the Distribution Transformer to the consumer's meter including portion of any HT line within the consumer premises when the distribution transformer is erected in the consumer's premises, shall be borne by the applicant".*

Thus, the estimate was sanctioned vide EE/D/VDR/14.625/E1/037/2021/dt.25.03.2025. The expenditure statement was worked out as below and the cost towards the 250 KVA Distribution Transformer was excluded from the consumer side.

1.	HT system (consumer side)	Rs. 5,08,540
2.	HT system (Board side)	Rs. 3,18,450
3.	LT system and Transformer structure	Rs. 9,85,020
	Total	Rs.18,12,010/-

Cost borne by the consumer (1+3)	: 14,93,560
Less cost of DT	: 4,65,718 (-)
Nett charges payable by the consumer	: 10,27,842
10% Escalation charges	: 1,02,784
Total Cost on Consumer side	: 11,30,626
	Or say Rs.11,30,630/-

6.4 The Respondent has submitted that the applicant was later intimated through online, 25.03.2021, for making payment accepting of the above estimate charges and subsequently the above amount was paid by the petitioner, on 08.04 2021.

Thereafter, the extension works were completed and the service was effected, on 14.07.2021.

6.5 The Respondent has submitted that now the consumer had filed the petition before District CGRF, Virudhunagar on 30.09.2024 to refund the estimate charges, distorting the facts, by citing the provisions under TNE Distribution Code Regulation 29 (5). The said clause is extracted below:

*“The Consumer shall provide free of cost to the Licensee adequate land/space in his/her premises, as may be considered necessary by the Engineer and afford all reasonable facilities for bringing in not only cables or overhead lines from the Licensee's system for servicing the consumer but also cables or overhead lines connecting other consumers. The land/space should be at a location near the entrance to the premises and should be easily accessible to Licensee's officials for inspection”.*

6.6 The Respondent has submitted that a reading of the above clause will show that the consumer shall provide free of cost to the Licensee adequate land/space in his/her premises the land/space should be at a location near the entrance to the premises and should be easily accessible to Licensee's officials for inspection. Here, the consumer had chosen the point of supply to suit his own demands, about 350m away from the public road. Therefore, the cost towards the erection of electric line in his premises should be borne by the consumer, as per the provisions contained in TNE Distribution Code Regulation 29(11)(c).

6.7 The Respondent has submitted that after hearing the contentions made by both the petitioner and Respondents, as per the observations made by the CGRF in 5.7, the excess cost collected from the consumer towards the erection of DT Structure alone will be arranged to be refunded. Accordingly, the cost towards the erection of DT Structure amounting to Rs.1,44,270/- had been credited in his advance CC and the same will be adjusted in the forthcoming CC Bill. Thus, one of the grievances of the petitioner is resolved, as per TNERC rules and regulations and in accordance with the directions made by the CGRF, in its order dated 13.01.2025.

6.8 The Respondent has submitted that the payment of development charges, it is submitted that as provided under clause 47 of TNERC Distribution Code, the licensee is authorized to collect development charges from LT/HT consumers at the

rates specified by the Commission from time to time and this should be collected as onetime payment from all applicants both for new and additional loads and it has nothing to do with the cost involved in the estimate for erection of lines and associated structures. The estimate cost is collected in accordance with the provisions made under TNE Distribution Code Regulation 29 (11) (c), as stated supra.

6.9 The Respondent has submitted that as regards the demand made by the petitioner for payment of monthly rent for the land covered by the electric network of Tamilnadu Power Distribution Corporation Limited in his premises it is submitted that there is no provision either in Indian Electricity Act 2003 or in TNERC rules and regulations, for payment of monthly rent for the HT/LT lines erected along consumers land. Therefore, the question of payment of rent does not arise at all.

6.10 The Respondent has requested that the appeal petition may be dismissed and thus render justice.

## **7.0 Findings of the Electricity Ombudsman:**

7.1 I have heard the arguments of both the Appellant and the Respondent. Based on the arguments and the documents submitted by them the following are the issues to be decided.

- i. The Appellant has prayed to refund the charges collected towards erection of DT structure and associated lines.
- ii. To pay rent for erection of DT structure and associated lines in his land.

7.2 The Appellant argues several points regarding the charges imposed by TNEB for electrical infrastructure on his property. He contends that TNEB levied an excessive charge of Rs.11,30,630/- for electrical infrastructure, including transmission lines, within his property, which he claims to have provided free of cost as per TNERC regulations 29(5). He states that the regulations do not mandate the landowner to bear the infrastructure costs and has appealed to the CGRF, TPDCL for a refund of the amount collected.



7.3 The Appellant disputes TNEB's interpretation of TNERC regulation 29(11)(C), arguing that while the applicant is responsible for the cost of connecting the distribution transformer (DT) to the meter within the premises, this does not include the cost of laying transmission lines along the approach road. He claims that TNEB is interpreting the regulations in a biased manner and imposing unreasonable financial burdens on the consumer.

7.4 The Appellant emphasizes that he has already provided land free of cost for the installation, and it is unjust to require the consumer to pay for all installation costs, including materials, meters, development charges, and monthly development fees. He considers this practice undemocratic and questions why he should bear the full cost when TNEB also uses the infrastructure to supply electricity to other consumers.

7.5 He requests that TNEB be directed to pay him a monthly rent for the area occupied by the infrastructure on his land, up to the DT point. The total area is approximately 17,000 square feet, and he claims the prevailing commercial rent is Rs. 10 per square foot, amounting to Rs.1,70,000/- per month. He argues that since the infrastructure serves a public utility function, fair compensation in the form of monthly rent is justified. He prays that these facts be considered and that TNEB be directed to pay the claimed monthly rent of Rs.1,70,000/- for the continued use of his land for their infrastructure.

7.6 The Respondent has clarified that the Appellant was provided with a three-phase electricity service connection for his industry situated in Kullurchandhai Village, Virudhunagar, based on his application dated 20.02.2021. The charges paid by the Appellant at the time included various mandatory fees totaling Rs.1,62,518/-. Upon inspection, it was observed that the Appellant had constructed his industrial unit and service point approximately 350 meters away from the public road, without making provisions for a connection point near the government road.

7.7 Due to the location chosen by the Appellant, the extension work involved erecting a high-tension (HT) 11KV line along the public road and further into his

private premises. The work also included installation of a 250 KVA Distribution Transformer (DT) and a low-tension (LT) line up to the metering point. The cost estimate was accordingly divided: the portion along the public road was borne by the TNEB, while the internal portion within the consumer's premises was charged to the Appellant. This division of cost was made in line with Regulation 29(11)(c) of the TNE Distribution Code, which clearly states that the cost of installation from the DT to the consumer's meter within the premises shall be borne by the applicant when the DT is installed within the consumer's premises.

7.8 The Respondent explained that the sanctioned estimate excluded the cost of the DT and only charged the Appellant for the HT and LT lines within his premises. The net amount payable by the consumer, including 10% escalation, was calculated at Rs.11,30,630/-. The Appellant was duly notified and paid the amount on 08.04.2021, following which the service connection was effected on 14.07.2021.

7.9 In response to the Appellant's claim for refund based on Regulation 29(5), the Respondent argued that this clause pertains only to the obligation of the consumer to provide land or space free of cost for installing infrastructure. It does not negate the consumer's responsibility to bear the cost of electrical lines within his premises when the infrastructure is situated far from public access. Since the Appellant selected a supply point deep within his premises, the corresponding installation cost falls under his liability as per the distribution code.

7.10 The Respondent also pointed out that the CGRF had already resolved one of the grievances by arranging for a refund of Rs.1,44,270/- the cost incurred for the DT structure, which has been credited to the Appellant's advance current consumption charges. Regarding the Appellant's reference to development charges, the Respondent clarified that such charges are collected as per clause 47 of the TNERC Distribution Code and are independent of the estimate cost for infrastructure. These are mandatory one-time payments for all new and additional load applications. Therefore, the Respondent has requested that the appeal be dismissed, asserting that all actions taken were within the bounds of prevailing rules and regulations.

7.11 The appeal petition has been carefully examined for the submissions made by the Appellant and the Respondent, along with the relevant regulations and supporting documents. After considering the facts presented and the provisions of the Tamil Nadu Electricity Distribution Code, it is observed that the core issue revolves around the interpretation of the responsibilities for bearing the cost of electrical infrastructure, particularly when the distribution transformer and associated lines are located within the consumer's premises.

7.12 The Appellant argues that he provided land free of cost and should not be made to bear the full installation charges. However, the Respondent has maintained that the cost division was carried out strictly in accordance with Regulation 29(11)(c), which clearly stipulates that the consumer shall bear the cost of infrastructure from the DT to the metering point when situated within the consumer's property.

In this context, I would like to refer the regulations 29 (5),(6), (9) & (11)(c) in TNERC Distribution Code which is reproduced below;

***“29. Service lines:***

*xxxx*

*xxxx*

*“(5) The consumer shall provide free of cost to the Licensee adequate land/space in his/her premises, as may be considered necessary by the Engineer and afford all reasonable facilities for bringing in not only cables or overhead lines from the Licensee's system for servicing the consumer but also cables or overhead lines connecting other consumers. The land/space should be at a location near the entrance to the premises and should be easily accessible to Licensee's officials for inspection.”*

*“(6) The consumer shall permit the Licensee to install all requisite equipments such as Transformers, switchgears, meters etc., and to lay necessary cables or overhead lines and to provide connections thereto on the consumer's premises and shall also permit the Licensee to extend supply to other consumers through the cables, lines and equipments installed in the consumer's premises, provided that supply to the consumer in the opinion of the Engineer is not thereby unduly affected.”*

*“(9) The consumer shall permit the Licensee, free of cost, the use of any land belonging to the consumer, which may be required for erecting the posts, lines, structures, cables and other equipments necessary for the supply of electricity and shall give access at all time to the Engineer and / or his/her agents, employees, sub-ordinates and workmen with or without tools to inspect and/or work on the posts, lines, structures, cables and other equipments and the consumer shall have no claim whatsoever on account of any damage to his/her property*

*by reason of such erection of or any other work on the posts, transmission lines, structures, cables and other equipments.”*

*“11(c) Installation of Distribution Transformer with associated equipment / accessories viz. AB switch, HG fuse, DT structure/Pole shall be carried out by the Licensee’s cost. The cost of installation works from the Distribution Transformer to the consumer’s meter including portion of any HT line within the consumer’s premises when the Distribution transformer is erected in the consumer’s premises, shall be borne by the applicant.”*

7.13 As per Regulation 29(5), (6) & 29(9), the consumer is required to provide adequate space for installation of electrical infrastructure at a location near the entrance to the premises and also permit the Licensee to install electrical network, and such space should be easily accessible to the licensee’s officials for inspection. In the present case, the Appellant chose to locate the meter and service point approximately 350 meters away from the entrance gate, deep inside the premises, contrary to the regulation.

7.14 Further, I would like to express my displeasure as to why the Respondent did not instruct the Appellant to provide a metering point near the entrance as per regulation, especially considering that the Appellant's demand at the time of requesting supply was 99 kW.

7.15 However, the circumstances under which the distribution transformer (DT) was erected inside the consumer's premises were not explicitly discussed by either the Respondent or the Appellant. Since, the metering point 390 meters away from the main gate, the Respondent has to install network inside the premises was the only option available and the Appellant has not objected to its installation within his premises. This shows the feeding network and DT were installed inside the premises with the concurrence of the Appellant, as his building was located 390 meters away from the main gate. Having availed the supply in the year 2021, the Appellant is now raising an issue over the matter and is seeking a refund of the HT line charges, which is not justifiable as per the TNERC regulation 29(5), (6), (9) & 11(c).

7.16 Regulation 29(11)(c) of the Tamil Nadu Electricity Distribution Code stipulates that the Licensee is responsible for bearing the cost of the transformer and its

associated equipment. However, it also states that the cost of installation works from the distribution transformer to the consumer's meter including any portion of the HT line located within the consumer's premises when the transformer is erected there shall be borne by the applicant.

7.17 In this context, the Consumer Grievance Redressal Forum (CGRF) had already directed that the cost collected towards the erection of the distribution transformer be refunded, in accordance with Clause 29(11)(c) of the Tamil Nadu Electricity Distribution Code. It is also noted that the Respondent has arranged for a partial refund, specifically the cost related to the DT which was adjusted in the estimate and DT structure amounting to Rs.1,44,270/- has been credited to the Appellant's advance current consumption charges subsequent to the CGRF order. However, it is observed that the Respondent has not refunded certain amount under establishment & supervision charges, contingencies, storage, etc., which was claimed under consumer head towards provision of DT. However, during the hearing the Respondent accepted and agreed to refund the entitled balance amount. Therefore the Respondent is directed to rework the estimate and refund the eligible balance amount to the Appellant.

7.18 With respect to the claim for monthly rent for the land occupied by the distribution infrastructure, it is noted that this request was not raised before the Consumer Grievance Redressal Forum. But upon examination, the Appellant has to provide land for electrical installation free of cost inside his premises as per the TNERC regulations 29(5), (6) & (9) and the Appellant also executed the LT agreement in this regard. Accordingly, the claim for rental compensation is deemed unsustainable and hence rejected.

## 8.0 **Conclusion :**

8.1 Based on the above findings, the Respondent is directed to rework the estimate and refund the entitled amount to the Appellant. A compliance report on refunding the amount may be furnished to this office within 30 days from the receipt of this order.

8.2 Further, the claim for rental compensation is deemed unsustainable and hence rejected.

8.3 With the above findings the A.P. No. 8 of 2025 is finally disposed of by the Electricity Ombudsman. No costs.

**(N.Kannan)**  
Electricity Ombudsman

“நுகர்வேன் இல்லையேல், நிறுவனம் இல்லை”  
“No Consumer, No Utility”

To,

1. Thiru M.K.Ganesan, - BY RPAD  
No.2/818, VOC Nagar, Soolakarai Medu,  
Virudhunagar – 626 003.

2. The Executive Engineer/Distribution/Virudhunagar,  
Virudhunagar Electricity Distribution Circle,  
TNPDC, L,  
Ramamoorthy Road, Virudhunagar-626001.

3. The Assistant Executive Engineer/Rural/ Virudhunagar,  
Virudhunagar Electricity Distribution Circle,  
TNPDC, L,  
Ramamoorthy Road, Virudhunagar-626001.

4. The Assistant Engineer/ Distribution/Soolakarai,  
Virudhunagar Electricity Distribution Circle,  
TNPDC, L, Soolakarai-626003.

5. The Superintending Engineer, - By email  
Virudhunagar Electricity Distribution Circle,  
TNPDC, L,  
65, 1, Ramamoorthy Road, Virudhunagar-626001.

6. The Chairman & Managing Director, - By email  
TNPDC, L,  
NPKRR Maaligai, 144, Anna Salai, Chennai -600 002.

7. The Secretary,  
Tamil Nadu Electricity Regulatory Commission, - By email  
4th Floor, SIDCO Corporate Office Building,  
Thiru-vi-ka Industrial Estate, Guindy, Chennai – 600 032.

8. The Assistant Director (Computer) - **For Hosting in the TNERC Website**  
Tamil Nadu Electricity Regulatory Commission,  
4th Floor, SIDCO Corporate Office Building,  
Thiru-vi-ka Industrial Estate, Guindy, Chennai – 600 032.



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