

**CENTRAL ELECTRICITY REGULATORY COMMISSION  
NEW DELHI**

**Coram:**

1. **Shri Bhanu Bhushan, Member**
2. **Shri R Krishnamoorthy, Member**

**Petition No. 12/2008  
(Suo-motu)**

**In the matter of**

Default in payment of Unscheduled Interchanges (UI) charges for the energy drawn in excess of the drawal schedule.

**And in the matter of**

Meghalaya State Electricity Board ..... Respondent

**ORDER**

As per the report received from North-Eastern Regional Load Despatch Centre (NERLDC), an amount of Rs.30.5 crore was outstanding against the respondent, MeSEB on account of UI drawal for the period up to 30.11.2007. The Commission, in its order dated 4.2.2008, had directed the respondent, to show cause as to why action under appropriate provisions of the Electricity Act 2003 should not be initiated against it for recovery of outstanding UI dues along with interest.

2. The respondent in its affidavit dated 27.3.2008 has explained that due to acute shortage of power during 2005-06 and 2006-07 on account of inadequate rainfall resulting in very low generation from its hydro generating stations, it had to procure power through bilateral arrangements during the monsoon period of

2005-06 and to resort to over-drawl from the grid during the lean seasons to reduce the extent of load shedding. As a result of good monsoon during 2007, the respondent could earn substantial amount through bilateral sale of power which was utilized to clear the outstanding bills of power traders, CPSUs and outstanding UI dues. The respondent has paid Rs.13 crore by payment and Rs.27.39 crore through adjustment to the UI account outstanding against it during the period from June 2007 till March 2008. It has been further stated that due to metering error at the Inter-State metering point at Kahlipara sub-station, the UI account for the period 1.12.2006 to 22.4.2007 was revised by NERPC which put an additional burden of Rs.31.01 crore on MeSEB. However, after revision of UI account for the period 1.10.2007 to 11.11.2007 on account of inter-State metering problem as intimated by NERPC vide its letter dated 20.2.2008, the amount of UI payable by respondent as on 10.2.2008 stood at Rs.19.52 crore. The respondent has requested the Commission to exempt it from any drastic action on account of default in payment of UI and to allow it to liquidate the outstanding UI dues by August 2008.

3. We have considered the submissions of the respondent and note that the respondent is making some efforts towards liquidation of the outstanding UI dues. As per the information made available by NERPC and NERLDC telephonically, the UI arrears of MeSEB as on 1.4.2008 is Rs.22 crore approximately. Taking note of the submission made by the respondent, we direct that the respondent shall take steps to liquidate the outstanding UI dues as on

1.4.2008 by August 2008, by paying not less than Rs.5 crore every month starting from May 2008. This will be in addition to the timely payment of current UI dues, if any, as per the UI charges statement issued by NERPC secretariat. NERLDC is directed to apprise the Commission in the first week of every month starting from June 2008 regarding the UI payment status of the respondent.

4. The payment through installments as permitted above will, however, not entail any relaxation in provisions of the Grid Code with regard to computation and payment of interest for the delay in payment of UI charges. It is further clarified that the foregoing is without prejudice to the other provisions in the Commission's regulations and IEGC.

**Sd/-**  
**( R. KRISHNAMOORTHY )**  
**MEMBER**

**Sd/-**  
**( BHANU BHUSHAN )**  
**MEMBER**

New Delhi, dated the 24<sup>th</sup> April 2008