

**CENTRAL ELECTRICITY REGULATORY COMMISSION  
NEW DELHI**

**Coram**

1. **Dr. Pramod Deo, Chairperson**
2. **Shri R.Krishnamoorthy, Member**
3. **Shri S.Jayaraman, Member**
4. **Shri V.S.Verma, Member**

**Petition No. 35/2009  
(Suo-motu)**

**In the matter of**

Default in payment of Unscheduled Interchanges (UI) charges for the energy drawn in excess of the drawl schedule by Arunachal Pradesh.

**And in the matter of**

Department of Power, Govt. of Arunachal Pradesh, Itanagar **Respondent**

**The following was present:**

Shri R.Sutraohar, Chief Manager, NERLDC

**ORDER  
(DATE OF HEARING: 26.3.2009)**

It was reported by North Eastern Regional Load Despatch Centre (NERLDC) that an amount of Rs. 666.878 lakh was outstanding against the respondent, as on 31.12.2008, on account of UI draws after adjustment of Rs. 69.597 lakh paid during December 2008. It was also reported that as on 30.11.2008, the outstanding amount stood at Rs. 627.765 lakh.

2. Finding that payment of UI charges was delayed and that accumulation of arrears increased during December 2008, the Commission by its order dated 25.2.2009 directed the respondent, to show cause as to why action under Section 142 of the Electricity of the Electricity Act, 2003 (the Act) should not be taken against it for non-compliance of the provisions of IEGC regarding timely payments of UI charges.

3. None was present on behalf of the respondent.
  
4. The representative of NERLDC informed that the respondent had deposited sum of Rs. 915 lakh as on 21.3.2009.
  
5. After the hearing, a letter dated 23.3.2009 from Chief Engineer (Power), Western Electrical Zone, Department of Power, Government of Arunachal Pradesh, addressed to the Chairperson and the Members of the Commission has been received. In this letter it has been admitted that the outstanding amount stood at Rs. 627.765 lakh as on 31.12.2008. It has been explained that from December 2008 onwards, the respondent could not make timely payment of UI charges, firstly for the reason that the respondent had to make additional payment amounting to Rs 17 crore during April 2008, in accordance with the claims raised by North Eastern Electric Power Corporation Ltd. (NEEPCO), based on the Commission's decision, for which funds were not provided by the State Government and as such, payments for UI charges could not be made. It has further explained that when efforts were being made to get additional allocation of funds from the State Government, official work in the State was hampered because of the strike called by the State Government employees seeking implementation of recommendations of the sixth Central Pay Commission. It has been confirmed that a payment of Rs. 915 lakh has been made and this includes payments for the period ending 15.2.2009. It has thus been explained that delay in making payment was for reasons beyond the control of the respondent.

6. Generally, the Commission does not take notice of the replies received from any person through a letter. The replies filed before the Commission have to be supported by affidavit, duly sworn before and attested by the competent authority. However, in this case, we have taken note of the contents of the letter dated 23.3.2009. This will, however, not be a precedent for future.

7. IEGC, specified by the Commission in exercise of its power under clause (h) of sub-section (1) of Section 79 of the Electricity Act, 2003, provides that payment on account of UI charges are to be made within 10 days of issue of statement by the Regional Power Committee. In the letter received from the respondent there is no averment that payments were made within the stipulated period of 10 days. On the contrary, there is an admission that the outstanding amount as on 31.12.2008 stood at Rs. 627.765 lakh. This accumulation was on account of arrears of previous months meaning that timely payments of UI charges were not made. There is no satisfactory explanation for delay in making payment. The fact that an additional amount of Rs. 17 crore was paid to NEEPCO cannot be a good reason for delaying other payments, in particular of UI charges which became payable as the respondent overdrew the share of other constituents and deserve high priority in settlement. Under these circumstances, we are satisfied that the respondent is guilty of contravention of and non-compliance with the provisions of IEGC, referred to in the order dated 25.2.2009.

8. Accordingly, in exercise of power under Section 142 of the Act, we impose a nominal penalty of Rs. 25000/- on the respondent, to be deposited by the respondent latest by 17.4.2009.

9. North-Eastern Regional Power Committee Secretariat is directed to calculate the amount of interest payable by the respondent on account of late payment, and communicate the amount to the respondent latest by 20.4.2009. Thereafter, the respondent shall deposit the interest with the NERLDC latest by 5.5.2009.

<b>sd/-</b>	<b>sd/-</b>	<b>sd/-</b>	<b>sd/-</b>
<b>(V.S.VERMA)</b>	<b>(S.JAYARAMAN)</b>	<b>(KRISHNAMOORTHY)</b>	<b>(DR.PRAMOD DEO)</b>
<b>MEMBER</b>	<b>MEMBER</b>	<b>MEMBER</b>	<b>CHAIRPERSON</b>

**New Delhi dated the 31<sup>st</sup> March 2009**