CENTRAL ELECTRICITY REGULATORY COMMISSION NEW DELHI

Coram Dr. Pramod Deo, Chairperson Shri S. Jayaraman, Member Shri V. S Verma, Member

> Petition No. 237/2009 (Suo-motu)

In the matter of

Default in payment of Unscheduled Interchange (UI) charges for the energy drawn in excess of the drawal schedule by Haryana Vidyut Prasaran Nigam Limited.

And in the matter of

Haryana Vidyut Prasaran Nigam Limited ... Respondent

ORDER

According to Central Electricity Regulatory Commission (Unscheduled Interchange charges and related matters) Regulations, 2009 (hereinafter referred to as "the UI Charges regulations") and the Indian Electricity Grid Code (hereinafter referred to as "IEGC"), all regional constituents are required to pay Unscheduled Interchange (UI) charges for the energy drawn by them in excess of their respective drawal schedules. The UI accounts are issued by the Regional Power Committee (RPC) Secretariat on a weekly cycle. Regulation 10 of the UI Charges regulations provides as under

10. Schedule of Payment of Unscheduled Interchange Charges

(1) All payments for Unscheduled Interchange charges including the Additional Unscheduled Interchange Charge shall be made to the "Unscheduled Interchange Pool Account Fund" within 10 days of issue of

Unscheduled Interchange account statement by the Regional Power Committee.

(2) If any payments for the Unscheduled Interchange charges on the Additional Unscheduled Interchange Charge are delayed by more than two days, that is to say, payments are made beyond a period of 12 days of issue of the statement by the Regional Power Committee, simple interest @0.04% for each day of delay shall be payable.

(3) All payments from the Unscheduled Interchange Pool Account Fund to the entities entitled to receive any amount shall be made within 5 days of crediting of the amount to "Unscheduled Interchange Pool Account Fund

2. Clause 5 of Annexure-I of Chapter 6 of the IEGC further stipulates that payment of UI charges shall have a high priority and the concerned constituents shall pay the indicated amounts into the regional pool account operated by the RLDC within ten days of the issue of statement by the RPC Secretariat.

3. Against the above mentioned unambiguous statutory provisions, it has come to notice that more than Rs 23 crore was payable by the respondent towards UI charges as on 30.9.2009. The details of the accrual of UI charges and surcharge thereon for the immediately preceding three months are as indicated below:

(Rs. in lakh)

Amount outstanding at the end of the month				
	Out of arrears	Out of Current Charges	Out of surcharge	TOTAL
JUN 2009				-136.89280
JUL 2009	-136.89	729.29	3.64	596.03054
AUG 2009	596.03	1521.41	-134.21	1983.22733
SEP 2009	1983.23	361.13	10.79	2355.14852

4. From the above table it is evident that the respondent has, since July 2009 consistently defaulted in making payments and settling UI account. The arrears

due from the respondent on account of UI charges is a matter of serious concern, particularly because the respondent as a State utility is expected to behave in a responsible manner and discharge its obligations under the law. Non-payment of UI charges amounts to extracting energy from the grid without paying for it.

5. The respondent is hereby directed to show cause, latest by 25.11.2009, as to why action under Section 142 of the Electricity Act, 2003 should not be taken against it for non-compliance of the provisions of the UI charges regulations and the IEGC.

6. Officer in charge of NRLDC or his representative shall also assist the Commission at the hearings.

7. List on 27.11.2009 for further directions.

Sd/= (V.S. Verma) Member Sd/= (S. Jayaraman) Member Sd/= (Dr. Pramod Deo) Chairperson

New Delhi, dated the 30th October 2009