

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Record of Proceedings

Coram	Dr. Pramod Deo, Chairperson Shri R.Krishnamoorthy, Member Shri S. Jayaraman, Member Shri V.S.Verma, Member
Petition No.	29/2009 (Suo motu)
Date of Hearing	16.4.2009
Subject	Default in payment of Unscheduled Interchanges (UI) charges for the energy drawn in excess of drawal schedule.
Respondent	Power Development Department, Govt. of J & K, Srinagar
Parties present	Shri Sandeep Naik, Secretary, Power Development Department, Govt. of J & K Shri Dileep Dhyani, Advocate, Power Development Department, Govt. of J & K Shri Samara Lakra, NRLDC Shri D.K. Jain, NRLDC Shri R.P. Aggarwal, NRPC

Shri Naik submitted that the respondent was willing to make payment of interest and had made provision in the budget proposal under power purchase bills. He added that passing of the State Budget was linked to the passing of the Union Budget because the State received grant from the Central Government. According to him, the Union Budget was expected to be passed by July 2009 and therefore, the payment of outstanding interest towards delayed payment of UI charges would be made in installments commencing from July 2009. To the pointed question, as to why the entire outstanding amount of interest could not be cleared in one go after the passing of the budget, he clarified that as the State had also to pay the charges for the energy drawn by it every month, it would not be in a position to clear the entire outstanding amount in one installment. He stated that the respondent had recently cleared a huge back-log of UI charges (principal amount) accumulated over a number of years. He also submitted that the State had practically stopped over-drawal from the grid. The Commission

observed that permitting payments in installments did not appear appropriate as the Power Development Department had already sold the electricity overdrawn.

2. The Commission directed Shri Naik to file a detailed affidavit, indicating the proposal for settlement of the interest payable on account of UI charges, within a week.

3. Subject to above, the Commission reserved its order.

Sd/=
(K.S. Dhingra)
Chief (Legal)