

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Coram:

1. Dr. Pramod Deo, Chairperson
2. Shri S.Jayaraman, Member
3. Shri V.S.Verma, Member
4. Shri M.Deena Dayalan, Member

**Petition No. 259/2009
(Suo-motu)**

Date of Hearing: 13.7.2010

Date of order: 4.8.2010

In the matter of

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

And in the matter of

1. Power Development Department, Govt. of J & K, Srinagar
 2. Shri R.B.Sharma, Principal Secretary, Power Development Department, Govt. of J & K, Srinagar
- ..Respondents**

ORDER

As per the report received from NRLDC on 12.5.2010, it was observed that no payment has been made by the respondent towards interest after the order of the Commission dated 11.5.2009. However, ₹ 150 crore were adjusted from the UI receivable and ₹ 2.51 crore were adjusted from the receivables on account of interest on UI charges during first and second quarter of 2009-10. No payment has been made by the respondent since February 2009 except the above mentioned adjustment on account of receivable. The payment liability of the

respondent towards principal as well as interest has increased to a total amount of ₹ 255.85 crore (₹ 196.18 crore as principal UI and ₹ 59.67 crore towards interest) as on 1.5.2010.

2. The Commission vide its order dated 15.6.2010, imposed the penalty of ₹ one lakh on the respondents which was to be deposited latest by 23.6.2010 for non-compliance with the directions of the Commission. The Commission also directed to Shri R. B. Sharma, Principal Secretary, Power Development Department, now second respondent, to take necessary steps for liquidation of outstanding UI charges interest, if any latest by 10.7.2010. Accordingly, the matter was listed for hearing on 13.7.2010.

3. It is noted that the penalty of ₹ one lakh has not been remitted by the respondent so far. During the hearing, none was present on behalf of the respondents.

4. Under these circumstances, we are of view that *prima facie* the first respondent and second respondent have not complied with the directions of the Commission as per the order dated 15.6.2010. Accordingly, the second respondent is directed to show cause, latest by 16.8.2010 as to why penalty under Section 142 of the Electricity Act, 2003 be not imposed on it for non-compliance of the directions of the Commission. We also consider the presence of second respondent

necessary before the Commission on the next date of hearing and order accordingly.

5. Officer in charge of NRLDC and NRPC or their representatives shall also assist the Commission at the hearing.

6. List on 16.9.2010 for further directions.

sd/-
(M.DEENA DAYALAN
MEMBER

sd/-
(V.S.VERMA)
MEMBER

sd/-
(S.JAYARAMAN)
MEMBER

sd/-
(Dr. PRAMOD DEO)
CHAIRPERSON