

**CENTRAL ELECTRICITY REGULATORY COMMISSION  
NEW DELHI**

**Petition No. 155/2011 (Suo-motu)**

**Coram**

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

**DATE OF ORDER: 12.7.2011**

**In the matter of**

Default in payment of Unscheduled interchanges (UI) charges for the energy drawn in excess of the drawn schedule by Power Development Department, Jammu and Kashmir.

**And**

**In the matter of**

1. Power Development Department, Jammu and Kashmir...
2. Secretary, Power Development Department, Jammu and Kashmir

**Respondents**

**ORDER**

Regulation 10 of the Central Electricity Regulatory Commission (Unscheduled Interchange charges and related matters) Regulations, 2009 (hereinafter referred to as 'the UI Regulations) provides for the schedule of payment of unscheduled interchange charges and payment security for settlement of UI dues as under:

*"(1) The payment of UI charges shall have a high priority and the concerned constituent shall pay the indicated amounts within 10 (ten) days of*



*the issue of statement of Unscheduled Interchange charges including Additional Unscheduled Interchange charges by the Secretariat of the respective Regional Power Committee into the "Regional Unscheduled Interchange Pool Account Fund" of the concerned region.*

*(2) If payments against the Unscheduled Interchange charges including Additional Unscheduled Interchange charges are delayed by more than two days, i.e., beyond twelve (12) days from the date of issue of the statement by the Secretariat of the respective Regional Power Committee, the defaulting constituent shall have to pay simple interest @ 0.04% for each day of delay.*

*(3) All payments to the entities entitled to receive any amount on account of UI charges shall be made within 2 working days of receipt of the payments in the "Regional Unscheduled Interchange Pool Account Fund" of the concerned region.*

*Provided that in case of delay in the UI Payment into the respective regional UI Pool Account Fund and interest there on if any, beyond 12 days from the date of issue of the Statement of UI charges then the regional entities who have to receive UI payment or interest thereon shall be paid from the balance available if any, in the regional UI Pool Account Fund of the region. In case the balance available is not sufficient to meet the payment to the constituents, then the payment from the regional UI Pool Accounts Fund shall be made on pro rata basis from the balance available in the Fund."*

2. As per the above provision of the UI regulations, payment of UI charges which enjoys highest priority shall be made within 10 days of the issue of the UI statement by the Regional Power Committee and for delay beyond 12 days, the defaulting entity shall be liable to pay interest 0.04% per day.

3. Northern Regional Load Despatch Centre has reported that a sum of ₹ 307.24 crore including surcharge is outstanding against Power Development Department, Jammu and Kashmir towards UI payment as on 31.5.2011.

4. From the above facts, it emerges that the respondents have not complied with the provisions of the UI Regulations. The respondents are directed to show cause, latest by 22.7.2011, as to why action under Section 142 of the Electricity Act, 2003 should not be taken against them for non-compliance of the provisions of the UI Regulations in regard to timely payment of UI charges.

5. The matter shall be listed on 26.7.2011 for further directions.

6. Officer-in-charge of NRLDC or his representative shall assist the Commission in the proceedings.

Sd/-	sd/-	sd/-	sd/-
<b>(M.DEENA DAYALAN)</b> <b>MEMBER</b>	<b>(V.S.VERMA)</b> <b>MEMBER</b>	<b>(S.JAYARAMAN)</b> <b>MEMBER</b>	<b>(Dr. PRAMOD DEO)</b> <b>CHAIRPERSON</b>