CENTRAL ELECTRICITY REGULATORY COMMISSION **NEW DELHI**

Petition No. 237/SM/ 2012

Coram:

Dr. Pramod Deo, Chairperson Shri S.Jayaraman, Member Shri V.S.Verma, Member Shri M.Deena Dayalan, Member

Date of Hearing: 20.11.2012 Date of Order: 5.12.2012

In the matter of

Default in payment of Unscheduled interchanges (UI) charges for the energy drawn in excess of the drawn schedule by Meghalaya Energy Corporation Ltd, Shillong.

And In the matter of

- 1. Meghalaya Energy Corporation Ltd, Shillong
- 2. Chairman-cum-Managing Director, Meghalaya Energy Corporation Ltd, Shillong ... Respondents

Following were present:

- 1. Shri V.V.Sharma, NRLDC
- 2. Shri H.K.Chawala, NRLDC
- 3. Miss Joyti Prasad, NRLDC
- 4. Shri Barpanda, NRLDC
- 5. Shri A.Kharpan, MeCL
- 6. Shri F.E.Kharshiing, MeCL

ORDER

In our order dated 17.10.2012, we had directed as under:

- "3. North-Eastern Regional Load Despatch Centre (NERLDC) has reported that a sum of ₹ 48.15 crore including surcharge is outstanding against Meghalaya Energy Corporation Ltd towards UI payment as on 31.8.2012.
- From the above facts, it emerges that the respondents have not complied with the provisions of the UI Regulations. The first respondent is directed to liquidate the entire outstanding UI payable including the current outstanding by 31.10.2012. Chairman-cum-Managing Director, Meghalaya Energy Corporation Ltd is directed to personally ensure liquidation of the outstanding amount by 31.10.2012. If the outstanding UI dues are not liquidated by the said date, the respondents are directed to show cause, latest by 9.11.2012, 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 Regulations in regard to timely payment of UI charges and directions of the Commission."
- 2. During the course of hearing, the representative of the NERLDC submitted that a sum of ₹ 47.07 crore is outstanding against Meghalaya Energy Corporation Ltd. towards UI payment as on 20.11.2012.
- 3. The respondents have filed their joint reply vide affidavit dated 7.11.2012. 5.11.2012. The respondents have submitted that the outstanding UI dues shall be liquidated after the exercise of truing up of accounts is finalized, taking MSERC orders into consideration.
- 4. During the course of hearing, the representative of the respondents submitted MeCL is facing acute financial crisis due to non-realization of arrear bills from the industrial consumers of the State.
- We are constrained to note that the respondents are not paying attention to the payment of outstanding UI charges that it deserves. It is clarified that any constituent

utility drawing power from the grid over and above its schedule is getting the power at the cost of other constituents. Consequently, it is under obligation to make prompt payment for consuming the power, which legitimately belongs to other constituents. By not making prompt payment for the power drawn under UI, respondents have not only deprived the other constituents of their legitimate UI dues, but has created impediments in the operation of the commercial mechanism. We expect the respondents to consider the UI mechanism in correct prospective and liquidate the UI dues by the due date as per Regulation 10 of the UI Regulations.

- 6. We direct the Principal Secretary (Power), Government of Tripura and Chairman-cum-Managing Director, Meghalaya Energy Corporation Ltd to appear before us on the next date of hearing with a firm payment schedule for liquidation of outstanding UI dues.
- 7. The matter shall be listed on 8.1.2013 for further directions.
- 8. Officer-in-charge of NERLDC or his representative shall assist the Commission in the proceedings.

Sd/sd/sd/sd/-

(M.Deena Dayalan) (V.S.Verma) (S.Jayaraman) (Dr. Pramod Deo) Member Member Member Chairperson