

**CENTRAL ELECTRICITY REGULATORY COMMISSION  
NEW DELHI**

**Petition No. 28/2012 (Suo-motu)**

**Coram**

**Dr. Pramod Deo, Chairperson  
Shri S. Jayraman, Member  
Shri V.S.Verma, Member  
Shri A.S.Bakshi, Member (EO)**

**DATE OF HEARING: 14.6.2012**

**DATE OF ORDER: 27.6.2012**

**In the matter of**

Non-compliance of para 10 of order dated 26.12.2011 in Petition No. 213/MP/2011 by Department of Power, Government of Arunachal Pradesh, Itanagar.

**And**

**In the matter of**

Department of Power, Government of Arunachal Pradesh, Itanagar  
Secretary, Department of Power, Government of Arunachal Pradesh,  
Itanagar

**Respondents**

**Following were present:**

Shri Mehender Singh, PGCIL  
Shri Rakesh Prasad, PGCIL  
Shri J.Tato, CE(P), AP  
Shri O.N.Tiwari, CE(P), AP

## ORDER

It was noticed from the report submitted by Power Grid Corporation of India (PGCIL) that a sum of ₹ 2.99 crore including surcharge was outstanding against Department of Power, Government of Arunachal Pradesh, as on 8.2.2012 in regard to transmission charges beyond 60 days.

2. The Commission in its order dated 8.5.2012 had observed as under:

*"4. The Commission in its order dated 22.2.2012 had directed the respondent to show cause as to why action Section 142 of the Electricity Act, 2003 shall not be initiated against him for non-compliance of order dated 26.12.2011 in regard to timely payment of transmission charges and other charges in accordance with the bills raised by the Central Transmission Utility.*

*5. The first respondent has neither filed any reply to the show cause notice nor has entered appearance in person or through advocate. It, therefore, follows that the first respondent has not complied with directions contained in order dated 26.12.2011 and 22.2.2012.*

*6. We direct the second respondent to explain as to why he would not be held personally liable for non-compliance with the orders of the Commission."*

3. Respondents in its reply affidavit dated 12.6.2012 have submitted that the directions of the Commission could not be complied with due to acute financial crises by the Department of Power, Government of Arunachal Pradesh and non-receipt of funds from the State Government. However, payment of ₹ 3.99 crore and ₹ 4.49 crore have been made to Power Grid on 21.3.2012 and 9.6.2012, respectively. The first respondent has undertaken that it will continue to comply with the orders of the Commission in future without fail or keep the Commission informed of the extraneous circumstances/reasons for delay in complying with order of Commission, if

any. The Second respondent has requested to exempt him from personal liability for non-compliance of orders of the Commission.

4. During the course of hearing, the representative of the respondents tendered his apology for non-compliance of the Commission's direction. He submitted that there is no deliberate or willful non-compliance with the directions of the Commission.

5. We have considered the submissions of the respondents. The respondents have explained the poor financial condition of Department of Power as the main reason for their failure to clear the transmission charges in time. We are constrained to observe that the explanations of the respondents do not justify their action for their failure to pay the transmission charges in time.

6. It is observed that only ₹ 1.48 crore as on 13.6.2012 is outstanding as transmission charges against the Department of Power, Government of Arunachal Pradesh.

7. Considering the assurances given by the respondents to liquidate the outstanding charges in time, the notices under Section 142 of the Electricity Act, 2003 are discharged against the respondents. It is clarified that failure to comply with the assurance given before the Commission will be construed

as the non-compliance with the directions of the Commission and action will be taken accordingly.

8. The Petition No. 28/2012 (Suo motu) is disposed of.

Sd/-  
**(A.S.Bakshi)**  
Member (EO)

sd/-  
**(V.S. Verma)**  
Member

sd/-  
**(S. Jayaraman)**  
Member

sd/-  
**(Dr Pramod Deo)**  
Chairperson