

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Petition No. 30/2012 (Suo-motu)

Coram

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

DATE OF HEARING: 10.7.2012

DATE OF ORDER: 12.7.2012

In the matter of

Non-compliance of para 10 of order dated 26.12.2011 in Petition No. 213/MP/2011 by Meghalaya State Electricity Board, Shillong.

And

In the matter of

1. Meghalaya State Electricity Board, Shillong
2. Chairman-cum-Managing Director, Meghalaya State Electricity Board, Shillong

Respondents

Following were present:

1. Shri Rakesh Prasad, PGCIL
2. Shri A.Kharpan, MeECL

ORDER

It was noticed from the report submitted by Power Grid Corporation of India (PGCIL) that a sum of ₹ 10.18 crore including surcharge was outstanding against Meghalaya State Electricity Board, as on 8.2.2012 in regard to transmission charges beyond 60 days.

2. The Commission vide its order dated 27.6.2012 had directed as under:
"6. The Chairman-cum-Managing Director, Meghalaya State Electricity Board is directed to file a payment schedule for liquidation of the outstanding transmission charges on affidavit on or before 2.7.2012."
3. Respondents in their affidavit dated 6.7.2012 have submitted that the directions of the Commission could not be complied with due to acute financial crisis faced by the Meghalaya State Electricity Board and non-realization of arrear bills from the industrial consumers of the State on account of dispute relating to the distribution tariff.
4. The representative of the PGCIL submitted that as on 10.7.2012 an outstanding amount of ₹ 21.40 crore is pending against the Meghalaya State Electricity Board.
5. During the course of the hearing, the representative of the respondents submitted that a payment schedule for liquidation of the outstanding transmission charges has been filed on behalf of the Chairman-cum-Managing Director, on affidavit as under:
- | | | |
|-----|-----------------------------|-------------------|
| (a) | 1st Installment (₹ 6 crore) | -July, 2012 |
| (b) | 2nd installment (₹ 6 crore) | -August, 2012 |
| (c) | 3rd installment (₹ 6 crore) | - September, 2012 |
| (d) | 4th installment (₹ 6 crore) | -October, 2012 |
6. We have considered the submissions of the respondents. The respondents have explained the poor financial condition of Meghalaya State

Electricity Board as the main reason for its 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. We cannot grant the prayer of the respondents for payment in installment as prayed for. However, parties are at liberty to negotiate and arrive at a mutual settlement for liquidation of the outstanding dues. In case of failure of negotiated settlement, PGCIL is at liberty to take appropriate action for realization of the dues as per law.

7. In view of our above directions, notices under Section 142 of the Electricity Act, 2003 are discharged against the respondents and Petition No. 30/2012 (Suo motu) is accordingly disposed of.

Sd/-	sd/-	sd/-	sd/-
(M.Deena Dayalan) Member	(V.S. Verma) Member	(S. Jayaraman) Member	(Dr Pramod Deo) Chairperson