

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Petition No. 125/MP/2014

Subject : Petition under Section 79(1) (f) of the Electricity Act, 2003 for reimbursement of interest on the arrear bills issued after revised Regional Energy Account by NRPC in respect of Chamera-I H.E. Project of NHPC for the period 1.5.1994 to 31.3.1997.

Date of hearing : 14.10.2014

Coram : Shri Gireesh B. Pradhan, Chairperson
Shri M. Deena Dayalan, Member
Shri A.K. Singhal, Member
Shri A.S. Bakshi, Member

Petitioner : National Hydro Power Corporation

Respondents : Punjab State Power Corporation Limited and others

Parties present : Shri A.K.Pandey, NHPC
Shri S.K.Meena, NHPC
Shri Dhanush.C.K., NHPC
Shri S.K.Chaturvedi, Advocate, DPCL
Shri S.P.Singh, DPCL

Learned counsel for Delhi Power Company Limited (DPCL) submitted as under:

(a) DPCL being holding company has no independent source of income. DPCL is not engaged in any commercial activity and also does not have any employees on its roll. It is acting merely as nodal agency or "conduit" through which the funds/payments are released only at the instance of Govt. of National Capital Territory of Delhi (GNCT of Delhi) for which it makes the budgetary provisions indicating the allocation of funds.

(b) In the year 2004, an agreement was signed between President of India through Joint Secretary, Ministry of Power, Govt. of India and Lt. Governor of GNCT of Delhi through Principal Secretary, Power, GNCT of Delhi, wherein GNCT of Delhi has agreed to discharge the past liabilities of erstwhile Delhi Vidyut Board (DVB) to the tune of ₹ 3376.6986 crore payable to the CPSUs specified therein, in which the petitioner was also a

party. In terms of the said agreement, all the past liabilities of the erstwhile DVB were settled in one time settlement, which covered all the outstanding dues payable by the Utilities to all the CPSU's including NHPC.

(c) The petitioner is bound by the terms of the said agreement and is not entitled for the money allegedly claimed in the present petition at this stage in the pretext of the corrigendum issued by the MoP, GOI dated 22.6.2012.

(d) Since the Govt. of NCT Delhi, has not made any further financial provision to make any payment of the petitioner, DPCL is not liable to pay the amount allegedly claimed in the petition.

(e) As regards the interest being charged by the petitioner, the same is not acceptable to DPCL, since the claim is neither allowed by the sole arbitrator nor covered in the corrigendum dated 22.6.2012, issued by Govt. of India.

(f) The delay is also not on the part of DPCL, therefore DPCL cannot accept the alleged interest as claimed.

2. The representative of the petitioner submitted that as per the Commission's direction dated 21.8.2014, copy of the petition was served on the Ministry of Power. However, Ministry of Power (MOP) vide its letter dated 5.9.2014 returned the petition asking the petitioner to indicate the action required on the part of MOP. The petitioner, vide letter dated 17.9.2014 furnished to MOP the background against the present petition along with relevant past correspondences made between the petitioner and MOP in the matter. The petitioner has requested the MOP to convey its views on applicability of interest (opportunity cost) with respect to MOP order dated 7.4.1997. However, no reply has been filed by the Ministry of Power till date.

3. After hearing the learned counsel for DPCL and the representative of the petitioner, the Commission directed DPCL to file on affidavit, by 11.11.2014 the particulars relating to the transferee companies and Memorandum of Association of the holding company.

4. The Commission directed that due date of filing the information should be strictly complied with. The information filed after due date shall not be considered

5. Subject to the above, the Commission reserved order in the petition.

By order of the Commission

**Sd/-
(T. Rout)
Chief (Law)**