

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Petition No. 193/MP/2012

Coram:

Shri V.S. Verma, Member

Shri M. Deena Dayalan, Member

Date of Hearing: 18.07.2013

Date of Order : 20.02.2014

In the matter of

Petition under section 79 (1) (c) read with Section 142 of the Electricity Act, 2003.

**And
in the matter of**

Chhattisgarh State Power Distribution Co. Limited
Vidyut Seva Bhawan, Danganiya
Raipur-492 013, Chhattisgarh
Petitioner

Vs

1. Madhya Pradesh Power Management Co. Ltd.,
Shakti Bhawa, Vidyut Nagar,
Jabalpur-482 008 Madhya Pradesh

2. Western Regional Power Committee
F-3, MIDC Area, Andheri (East),
Mumbai-400 093, Maharashtra

3. Western Regional Load Despatch Centre,
F-3, MIDC Area, Marol,
Andheri (East), Mumbai-400 093

Respondents

Parties Present:

Ms Suparna Srivastava, Advocate for petitioner
Shri A. Bhatnagar, CSPDCL
Shri Pramod Choudhery , MPPMCL
Ms. S. Usha, WRLDC
Ms. Jyoti Prasad, NLDC
Shri A.S.Raghuwanshi, MPPMCL
Shri Deepak N.Gawali, MPPMCL
Shri P.D.Lone, MPPMCL



Shri K.K. Agrawal, MPPMCL
Shri P.Pentayya, WRLDC

Order

The petitioner, a successor of the erstwhile Chhattisgarh State Electricity Board constituted under section 5 of the Electricity (Supply) Act, 1948 read with Section 58 of the Madhya Pradesh Re-organization Act, 2000 to act as the Electricity Board for the State of Chhattisgarh, seeks adjudication of the dispute arising out of the implementation of the mechanism with regard to reactive energy charges specified in Central Electricity Regulatory Commission (Indian Electricity Grid Code) Regulations, 2010 (Grid Code) amended from time to time. The petitioner has sought the following specific reliefs, namely:–

- "(a) Direct Respondent No.1 to pay to the Petitioner reactive energy charges in the sum of Rs. 11,64,84,711/- (Rupees Eleven Crore Sixty Four Lakh Eighty Four Thousand Seven Hundred Eleven only) as billed by Respondent No.3 for the period from April 2006 to 1.7.2012 together with surcharge @ 0.04% per day on the outstanding amount as on 31.7.2012 amounting to Rs. 3,12,32,619/- (Rupees Three Crore Twelve Lakh Thirty Two Thousand Six Hundred Nineteen only), aggregating to Rs.14,17,57,330/- (Rupees Fourteen Crore Seventeen Lakh Fifty Seven Thousand Three Hundred Thirty only);
- (b) Direct Respondent No.1 to pay to the Petitioner further surcharge @ 0.04% per day on the outstanding amount of Rs. 11,64,84,711/- (Rupees Eleven crore Sixty Four Lakh Eighty Four Thousand Seven Hundred Eleven only) towards reactive energy charges from 1.8.2012 till payment thereof;
- (c) Direct Respondent No.1 to pay to the Petitioner reactive energy charges as billed or may be billed to it by Respondent No.3 for the period from 2.7.2012 together with surcharge @ 0.04% per day on the delayed payment whenever applicable;
- (d) Direct Respondent No.3 to furnish detail of outstanding reactive energy charges payable by Respondent No.1 to the Petitioner for the period prior to April 2006 and further direct Respondent No.1 to pay the said amount to the Petitioner along with surcharge @ 0.04% per day on the outstanding amount from the date it has become due;



(e) Initiate penal proceedings against Respondent No.1 under Section 142 of the Electricity Act, 2003 for failing to comply with the provisions of the Indian Electricity Grid Code, 2006 and the Indian Electricity Grid Code, 2010 notified by the Commission, as may be applicable, towards payment of reactive energy charges as billed by Respondent No.3;

(f) And pass any other or further order (s) as the Commission deems fit in the facts and circumstances of the case."

2. The Respondent No. 1, erstwhile Madhya Pradesh Power Trading Company, is a successor of Madhya Pradesh State Electricity Board and is performing the functions relating to purchase and sale of power and undertaking in relation thereto.

3. The Commission notified the Indian Electricity Grid Code, 2006 (Grid Code, 2006) which came into effect from 1.4.2006. Regulation 6.6 of the Grid Code, 2006 provides as under:

"1. Reactive power compensation should ideally be provided locally, by generating reactive power as close to the reactive power consumption as possible. The beneficiaries are therefore expected to provide local VAR compensation/generation such they do not draw VAR compensation/generation such that they do not draw VARs from the EHV grid, particularly under low-voltage condition. However, considering the present limitations, this is not being insisted upon. Instead, to discourage VAR draws by Beneficiaries, VAR exchanges with ISTS shall be priced as follows:

- The Beneficiaries pays for VAR drawal when voltage at the metering point is below 97%
- The Beneficiaries gets paid for VAR return when voltage is below 97%
- The Beneficiaries gets paid for VAR drawal when voltage is above 103%
- The Beneficiaries pays for VAR return when voltage is above 103%

Provided that there shall be no charge/payment for VAR drawal/return by a Beneficiary on its own line emanating directly from an ISGS.

2. The charge/payment for VARs, shall be at nominal paisa/kVARh rate as may be specified by CERC from time to time, and will be between the Beneficiary and the regional pool account for VAR interchanges."

4. In suppression of the Grid Code, 2006, the Commission on 28.4.2010 notified Central Electricity Regulatory Commission (Indian Electricity Grid Code) Regulations, 2010 (Grid Code) which were came into effect from 3.5.2010. Regulation 6.6 of the Grid Code provides as under:

"1. Reactive power compensation should ideally be provided locally, by generating reactive power as close to the reactive power consumption as possible. The beneficiaries are therefore expected to provide local VAR compensation/generation such that they do not draw VAR compensation/generation such that they do not draw VARs from the EHV grid, particularly under low-voltage condition. However, considering the present limitations, this is not being insisted upon. Instead, to discourage VAR drawals by beneficiaries, VAR exchanges with ISTS shall be priced as follows:

- The Regional Entity except Generating Stations pays for VAR drawal when voltage at the metering point is below 97%

-The Regional Entity except Generating Stations gets paid for VAR return when voltage is below 97%

- The Regional Entity except Generating Stations gets paid for VAR drawal when voltage is above 103%

Provided that there shall be no charge/payment for VAR drawal/return by a Regional Entity except Generating Stations on its own line emanating directly from an ISGS.

2. The charge for VARh shall be at the rate of 10 paise/kVARh w.e.f. 1.4.2010, and this will be applicable between the Regional Entity, except Generating Stations, and the regional pool account for VAR interchanges. This rate shall be escalated at 0.5paise/kVARh per year thereafter, unless otherwise revised by the Commission."

5. The petitioner has submitted that the present petition has been filed for implementation of the mechanism for reactive energy charges specified in the Grid Code and payment of such charges by the Respondent No. 1 for the period from 1.4.2006 onwards. The petitioner has submitted that reactive energy is required to be minimized so as to reduce the losses and bring efficiency in the

system. The petitioner has submitted that Regulation 6.6 of the Grid Code, 2006 set out the mechanism for reactive power pricing and also provides for payment of charges towards reactive energy for which accounting is done by the concerned RLDC. The petitioner has submitted that Regulation 6.6 of the Grid Code, 2006 also provides for settlement of reactive energy charges and accordingly, the Respondent No. 1 has to pay the reactive energy charges for its drawal during voltage conditions of grid to the petitioner for supplying the same reactive energy during that period. The petitioner has submitted that Regulation 6.6 and Annexure 1 to Chapter 6 of the 2010 Grid Code also provides for reactive energy pricing mechanism and complementary commercial mechanisms, respectively in line with Grid Code, 2006. In terms of Chapter 6 of the Grid Code, the defaulting constituents are required to pay simple interest @ 0.04% for each day of delay and in case of persistent payment default towards reactive energy charges, the matter is to be reported by RLDC to Member-Secretary, Regional Power Committee for initiating remedial action.

6. The petitioner has submitted that Respondent No. 1 was not paying reactive energy charges to it as also to its predecessor Board since April, 2006 as per the provisions of Grid Code. Accordingly, the petitioner vide its letter dated 13.6.2011 requested the Respondent No. 1 to pay outstanding Rs. 7,22,24,095/- and make weekly payment of reactive energy charges regularly as and when weekly reactive charges is finalized by WRLDC. WRPC was also requested to intervene and advise the Respondent No. 1 to pay the outstanding reactive energy charges immediately to the petitioner. Despite repeated reminders dated 20.7.2011, 2.8.2011, 4.8.2011, 23.8.2011, 8.9.2011 and

16.9.2011, the Respondent No. 1 did not make any payment with regard to reactive energy charges. The petitioner has submitted that as on 14.2.2012, ₹ 10,58,40,238/- along with delayed payment surcharge is pending against Respondent No. 1 towards reactive energy charges. The petitioner vide its letter dated 17.2.2012 informed the Respondent No. 1 that if payment is not made within 15 days, it will be forced to proceed for suitable legal action to recover outstanding reactive energy charges and non-compliance of CERC's Regulations. Meanwhile, Respondent No. 2 WRPC raised further bills of ₹ 14,30,43,133/- including delayed payment surcharge towards reactive energy charges up to 20.5.2012. Subsequently, the petitioner vide its letter dated 30.7.2012 requested the Respondent No. 1 to pay the outstanding payment with request to WRPC to intervene and advise MPPCL to pay the outstanding reactive energy charges immediately to the petitioner.

7. The petitioner has submitted that as per the provisions of Grid Code, 2006, bills towards reactive energy charges issued by WRLDC on weekly basis are to be settled by the concerned constituents within a period of 12 days failing which they are liable to pay simple interest @ 0.04% for each day of delay. As set out in detail hereinabove, WRLDC has been issuing the said weekly bills where under MPPMCL has been required to pay reactive energy charges. However, MPPMCL has failed and refused to pay the reactive energy charges. In this manner, MPPMCL has not only denied the petitioner's legitimate dues under Grid Code, but has also committed grave violation of the Regulations.

8. The petitioner has submitted that taking bill towards reactive energy charges issued by WRPC for the week up to 1.7.2012 into account, the following amount including delayed payment surcharge is outstanding against MPPMCL as on 31.7.2012:

Outstanding amount for the period April 2006 to 1.7.2012:	₹ 11,64,84,711.00
Surcharge @ 0.04% per day on the outstanding amount as on 31.7.2012:	₹ 3,12,72,619.00
Total:	₹ 14,77,57,330.00

9. Replies to the petition have been filed by M.P.Power Management Co. Ltd., Western Regional Power Committee and Western Regional Load Despatch Centre.

10. M.P. Power Management Co. Ltd (MPPMCL) in its reply dated 1.1.2013 has submitted that 220 kV Amarkantak-Kotmikala- Ckt. I, 220 kV Amarkantak-Kotmikala-Ckt II, 400 kV Bhilai-Sarni line and 132 kV Balaghat - Dongargarh line were classified as inter-State transmission lines after bifurcation of the erstwhile State of Madhya Pradesh into States of Madhya Pradesh and Chhattisgarh in the year 2000. The majority of the outstanding amount of Reactive Energy Charges (REC) claimed by the petitioner is on account of 400 kV Bhilai-Sarni line which was constructed by the erstwhile MPEB. After reorganization of the State of M.P., the ownership and maintenance of 400 KV Bhilai - Sarni line from Bhilai sub-station up to Chhattisgarh/MP State Border is with the petitioner and that from the Border to Sarni TPS is with MPPMCL. Similar is the case of ownership and maintenance of other three lines. MPPMCL has further submitted that as per the decision of Standing Committee of WRPC, the LILO of 400 kV Bhilai - Sarni line

was carried out by PGCIL at 756/400 kV Seoni sub-station and the said LILO was charged by PGCIL on 18.9.2007. In view of the LILO, the aforesaid Inter-State line became 400 kV Bhilai- Seoni ISTS between Chhattisgarh and PGCIL and 400 KV Seoni - Sarni ISTS between Madhya Pradesh and PGCIL. Accordingly, the reactive energy charges are to be settled between the respective beneficiary and ISTS. MPPMCL has submitted that WRPC, while issuing weekly bills of REC between Madhya Pradesh and Chhattisgarh, have considered 400 kV Bhilai-Sarni as Inter-State line between both States instead of considering the two separate lines of respective States connected with ISTS. Thus, WRPC has issued the weekly bills of REC from 18.9.2007 onwards without considering the actual flow of Reactive Energy between ISTS and Chhattisgarh / Madhya Pradesh States. The matter was taken up with WRPC and WRLDC with request to revise the REC w.e.f 18.9.2007 onwards. WRLDC has made necessary changes in the accounts of VARh charges w.e.f. 29.10.2012 and that old bills would be revised by February, 2013. For the other lines, they have requested the petitioner to hold a joint meeting. However, the petitioner and MPPMCL have not convened any joint meetings in this regard to arrive at a mutually agreed mechanism, rate, etc. Such a meeting is essential for fair settlement of present disputed bills in question. MPPMCL vide its letter dated 13.12.2012 had requested the petitioner to convene a joint meeting in this regard.

11. Western Regional Load Despatch Centre (WRLDC) in its reply dated 15.11.2012, regarding computation of VAR exchange directly between two regional entities except generating stations on the interconnecting lines owned by them (singly or jointly), has submitted as under:

" i. As per clause 6.6.7 (iii), of Indian Electricity Grid Code (IEGC), the scheme specified in Annexure-2 of IEGC-2010 shall be applied in case of a disagreement between two concerned Regional Entities.

ii. As per clause 11 of the Annexure-1 of IEGC, Regional Power Committee (RPC) Secretariats shall prepare weekly statement of VAR charges to all regional Entities with ISTS and between two regional entities.

iii. According to Annexure-2 of IEGC-201, payment for reactive energy exchanges on State owned lines shall be settled mutually between the respective States and RLDCs are not maintain any payment details with respect to such VAR payment as these are not routed through Regional Reactive Pool Accounts maintained by WRLDC."

12. WRLDC has submitted that as per the said provisions, it is responsible for operating Regional Reactive Pool Accounts for the VAR exchanges of regional entities with ISTS only and the VAR exchange between two regional entities on the lines owned by them need to be settled mutually between the respective entities.

13. Western Regional Load Despatch Centre in its further reply dated 14.5.2013 has submitted that the petitioner and MPPMCL have not informed regarding any arrangement agreed between them for payment of VAR charges for the lines owned by them (singly or jointly). On 5.11.2012 MPPMCL intimated WRPC regarding discrepancy noticed in the VAR accounts between MPPMCL and the petitioner w.e.f. 29.10.2012 onwards. As per Regulation 8 of the Grid Code, the effected constituents are required to report any discrepancy within a period of 15 days. It is understood from the petition that WRPC has checked all the accounts from the beginning only after filing of the petition by the petitioner. WRLDC vide its letter dated 21.12.2012 had informed MPPMCL that required revisions will be carried out by February 2013. Since it came to notice that the matter is sub-judice, WRLDC has kept the revisions pending. WRLDC has submitted that the matter was discussed in the 63rd Commercial Committee

meeting held on 7.2.2013 at Mumbai. As per the Minutes of the Meeting dated 7.2.2013, the original VAr accounts issued are available for settlement of VAr charges as these accounts contain information on line-wise/ drawal point-wise HV and LV VAr charges between the petitioner and MPPMCL. The charges pertaining to Satpura–Bhilai line [which is now an ISTS line due to LILO of 400 kV Satpura-Bhilai at Seoni (PG)] should be adjusted in the total payable/receivable amount. With this adjustment, MPPMCL and CSPDCL can settle the accounts of VAr charges for the lines owned by them (Single or jointly).

14. The petitioner in its rejoinder dated 15.2.2013 to the reply of MPPMCL has submitted that as per the provisions of the Grid Code, WRPC is responsible for preparing weekly statement of VAr charges as between two regional entities and is also now undertaking revision therein unilaterally at the behest of MPPMCL when the matter is sub-judice before the Commission. The petitioner has submitted that in the above circumstances, it is necessary that the submissions of WRPC as regards to the issues raised in the present petition be placed on record before the Commission, more particularly on (i) the premises and provisions under which WRPC had been issuing VAr exchange bills to MPPMCL since 2006; and (ii) the consideration on which WRPC has decided to revise the aforesaid reactive energy bills raised on MPPMCL in reference to the petitioner. The petitioner has submitted that there are four lines in which REC have been billed by WRPC. Out of four lines, the status of 400 kV Bhilai-Sarini transmission line is stated to have changed from inter-State line between two States to two separate lines of respective States connected with ISTS w.e.f. 18.9.2007. However, the status of the other three lines has not yet changed since 2006. The

petitioner has submitted that Regulation 6.6(7) of the Grid Code provides for an option to the two regional entities to agree to adopt a payment rate/scheme for VAR exchanges between them which may be identical to or at variance from that specified by the Commission for VAR changes with ISTS. In case of disagreement between two regional entities, the scheme of payment as specified in Annexure-2 of the Grid Code shall be applied accordingly. However, in the present case, the question of exercise of the option of mutual agreement between the two regional entities as provided in Regulation 6.6(7) of the Grid Code does not arise in as much as (i) the VAR exchange billing with reference to the petitioner and MPPMCL has throughout been carried out by WRPC. The petitioner has submitted that MPPMCL has accepted the said bills without any protest till filing the present petition; and (ii) in view of the conduct of MPPMCL in refusing to pay any heed to the VAR exchange bills being raised upon it by WRPC from April 2006 onwards and thus violating the provisions of the Grid Code, no circumstance of mutuality can be said to exist as between the petitioner and MPPMCL.

15. The petitioner in its further rejoinder dated 9.5.2013 to the reply of WRPC has submitted that as per Regulation 12 of Annexure-1 of the Grid Code, WRPC is responsible to initiate remedial action for persistent payment default whenever reported to it. Despite intimation dated 13.6.2011, WRPC has failed to discharge its duty as specified in Regulation 12 of the Grid Code. The petitioner has submitted that the contention of WRPC that the above LILO arrangement and resulting change in the reactive energy account has been intimated by MPPMCL recently and therefore, WRLDC is incorporating the above changes. It is inconceivable that despite being the system operator, WRLDC has

not had the knowledge of change in the system of the CTU. The petitioner has submitted that the claim of WRPC that no revision of reactive energy account has been undertaken by it at the behest of MPPMCL appears to be incorrect in view of its letter dated 21.12.2012 addressed to MPPMCL

16. During the course of hearing on 18.7.2013, the representative of MPPMCL submitted that out of four transmission lines, there is no dispute about three transmission lines and the issue remains only in respect of Bhilai- Sarni transmission line. MPPMCL has been writing letters to WRLDC, WRPC and CSPDCL to resolve the issue and requested that the issue regarding Bhilai-Seoni and Seoni-Sarni transmission line may be settled along with three other transmission lines. He further submitted that if the issue in respect of above transmission lines is resolved, MPPMCL would pay the bills within fifteen days thereafter. The representative of MPPMCL requested to direct the petitioner to resolve the issue through mutual discussion. Accordingly, WRPC was directed to convene a meeting of the petitioner, MPPMCL and WRLDC to resolve the dispute within a period of 15 days. MPPMCL was further directed to liquidate the outstanding payment within 15 days from the date of settlement by WRPC.

17. WRLDC vide its letter dated 30.8.2013 has confirmed that a meeting was held on 20.8.2013 at WRLDC, Mumbai on 12.8.2013 and in the said meeting, the representatives of CSPDCL and MPPMCL were agreed for settlement of energy charges account based on the statement prepared by WRLDC for the period September, 2007 to October, 2012, by excluding the Sarni-Bhilai transmission line from the reactive energy charge account between the petitioner

and MPPMCL. The statement was verified by the representative of MPPMCL and CSPDCL. WRLDC has submitted that the final MP-CG net after adjustment of Seoni-Bhilai transmission line comes out to be ` 8,75,71,004/-

18. MPPMCL vide its affidavit dated 19.9.2013 has submitted that a meeting was convened at WRLDC, Mumbai on 12.8.2013. In the said meeting, the petitioner and respondents were agreed for settlement of ` 8,75,71,004/- as Reactive Energy Charges for the period from September, 2007 to October, 2012 by excluding Reactive Energy over Sarni-Bhilai transmission line. The said amount was payable by MPPMCL to the petitioner. On 13.9.2013, MPPMCL has paid ` 10,19,63,647/- towards Bilateral Reactive Energy Charges to CSPDCL for the period 27.3.2006 to 28.7.2013 on designated account of CSPDCL, as detailed below:

(i) For period April 2006 to August 2007-	` 89,71,370/-
(ii) For period Sept. 2007 to Oct. 2012-	` 8,75,71,004/-
(iii) For period Nov. 2012 to July 2013-	` 54,21,273/-
Total:	` 10,19,63,647/-

The amount was paid within 15 days from the date of settlement of Reactive Energy Charges by WRPC on 30.8.2013.

19. The petitioner vide its affidavit dated 22.10.2013 has also confirmed that MPPMCL has made a payment of ` 10,19,63,947/- towards reactive energy charges on 13.9.2013. However, upon receiving such payment and while examining the above computation communicated to it for the payment received up

to 28.7.2013, certain following deficiencies in payment were noticed and same were communicated to MPPMCL vide letter dated 19.9.2013:

(i) An amount of `2,21,045/- for the week 31.12.2012 to 6.1.2013 has not been included in the reactive energy account up to 28.7.2013.

(ii) The surcharge payable as per applicable Regulations is not considered for the payment which is worked out `4,24,08,248/- till 13.9.2013, the date of payment by MPPMCL.

(iii) Thus, a total amount of `4,26,28,739/- is still outstanding against MPPMCL towards reactive energy account up to 28.7.2013 with surcharge payable up to 13.9.2013.

20. The petitioner has submitted that MPPMCL was requested to verify the detail and ensure payment of the outstanding reactive energy charge of `4,26,28,739/- within next 15 days. In response, MPPMCL vide its letter dated 28.9.2013 informed that it had complied with the directions of the Commission contained in para 6 and 7 of Record of Proceedings dated 18.7.2013 and had made full payment of bilateral reactive energy charges on 13.9.2013.

21. We have heard learned counsel for the petitioner and the representative of MPPMCL, WRPC and WRLDC and perused documents on record. We have our thoughtful consideration to the issues raised.

22. Regulation 6.6.7 of the Grid Code provides as under:

" (i) The two concerned Regional Entities except Generating Stations may mutually agree not to have any charge/payment for VAr exchanges between them on an interconnecting line.

(ii) The two concerned Regional Entities except Generating Stations may mutually agree to adopt a payment rate/scheme for VAr exchange between them identical to or at variance from that specified by CERC for VAr exchanges with ISTS. If the agreed scheme requires any additional metering, the same shall be arranged by the concerned Beneficiaries.

(iii) In case of a disagreement between the concerned Regional Entities except generating Stations (e.g. one party wanting to have the charge/payment for VAR exchanges, and the other party refusing to have the scheme), the scheme as specified in Annexure-2 shall be applied. The per kVArh rate shall be as specified by CERC for VAR exchanges with ISTS.

(iv) The computation and payments for such VAR exchanges shall be effected as mutually agreed between the two Beneficiaries "

23. During the course of hearing on 18.7.2013, the representative of MPPMCL submitted that out of four lines, there is no dispute regarding three lines and the issue remains only in respect of Bhilai-Sarni transmission line. It was further submitted by MPPMCL that if the issue in respect of Bhilai-Seoni and Seoni-Sarni transmission lines is resolved, MPPMCL will pay the bills within fifteen days thereafter. Since both parties were agreed that there is no dispute regarding three transmission lines, MPPMCL was directed to settle the reactive energy charges in respect of these three lines. It is noted that the Reactive Energy Account (REA) was prepared by WRPC between CSPDCL and MPPMCL based on the inputs submitted by WRLDC for the period September, 2007 to October, 2012 for Amarkantak-Kotmikala-1, Amarkantak-Kotmikala-2, Sarni-Bhilai and Balaghat-Dongarghat. In September, 2007, Sarni-Bhilai transmission line was made LILO at Seoni sub-station and Sarni-Seoni line and Bhilai-Seoni line became MP-ISTS line and Bhilai-ISTS line, respectively. Therefore, the reactive energy charges of Sarni-Bhilai line has been excluded from the reactive energy account between Chhattisgarh and Madhya Pradesh.

24. WRLDC has submitted that it is responsible for operating Regional Reactive Pool Accounts for the VAR exchanges of regional entities with ISTS only

and the VAR exchange between two regional entities on the transmission lines owned by them need to be settled mutually between the respective entities. As directed by this Commission, a meeting to resolve the dispute regarding reactive energy charges was held at WRLDC, Mumbai on 12.8.2013. In the said meeting Reactive Energy Account between CSPDCL and MPPMCL prepared by WRLDC based on the reactive energy submitted by WRLDC for Amarkantak-1, Amarkantak-Kotmikala-2, Sarni-Bhilai and Balaghat-Dongarghat transmission lines for the period September, 2007 to October, 2012 was discussed. In the said meeting the representatives of CSPDCL and MPPMCL agreed for settlement of energy charge account based on the statement prepared by WRPC for the period September, 2007 to October, 2012 was discussed. In the said meeting, the representatives of the petitioner and MPPMCL agreed for settlement of energy charge account based on the statement prepared by WRPC for the period September 2007 to October 2012. The statement was verified by the representatives of MPPMCL and CSPDCL. The final amount after adjustment of Seoni-Bhilai transmission line comes out to `8,75,71,004/- which has been paid by MPPMCL to the petitioner.

25. As regards the settlement of reactive energy charges for the period from September 2007 to October, 2012, in the meeting held on 12.8.2013 at WRLDC, Mumbai, the petitioner and MPPMCL were agreed to settle the issue mutually based on the bills provided by WRPC. With respect to the claim of the petitioner regarding reactive energy charges for the week 31.12.2012 to 6.1.2013, the petitioner should take up with matter with MPPMCL.

26. Further, the petitioner has also requested to direct MPPMCL to pay surcharge @ 0.04% towards reactive energy charges. Since the issue of surcharge had not been raised by the petitioner at the meeting held on 12.8.2013 with WRPC as well as before this Commission, the prayer of the petitioner with regard to recovery of surcharge, etc., is not considered in this petition.

27. The petition is disposed of with the above.

Sd/-

(M Deena Dayalan)
Member

sd/-

(V.S.Verma)
Member