

**CENTRAL ELECTRICITY REGULATORY COMMISSION  
NEW DELHI**

**Petition No. 307/MP/2018**

Subject : Petition under Section 79(1)(f) of the Electricity Act, 2003 read with Clause 6.6 of the Central Electricity Regulatory Commission (Indian Electricity Grid Code) Regulations, 2010 regarding outstanding amount of Reactive Energy Charges.

Date of Hearing : 25.8.2020

Coram : Shri P. K. Pujari, Chairperson  
Shri I. S. Jha, Member  
Shri Arun Goyal, Member

Petitioner : Rajasthan Rajya Vidyut Prasaran Nigam Limited (RRVPNL)

Respondents : Uttar Pradesh Power Corporation Limited (UPPCL) and Anr.

Parties present : Ms. Preetika Dwivedi, Advocate, RRVPNL  
Shri Satish Chandra Sharma, RRVPNL

**Record of Proceedings**

The matter was heard through video conferencing.

2. Learned counsel for the Petitioner submitted that the present Petition has been filed seeking reimbursement of the outstanding Reactive Energy Charges along with interest. Learned counsel further submitted as under:

(a) Subsequent to filing of the present Petition, the Respondent, UPPCL has paid the entire principal amount. However, the interest thereon is yet to be paid.

(b) As per Clause 12 of the Annexure-1 of the Central Electricity Regulatory Commission (Indian Electricity Grid Code) Regulations, 2010 (in short, '2010 Grid Code'), the bills towards Reactive Energy Charges issued by the concerned RLDC 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.

(c) In response to the Petitioner's letter dated 4.4.2019 in this regard, the Respondent, UPPCL, vide its letter dated 20.9.2019, has admitted its liability for payment of interest and sought details of interest along with the calculation and supporting documents for making payment. Accordingly, the Petitioner, vide its letter dated 4.10.2019, raised the bill in this regard on the Respondent, UPPCL of Rs. 3.53 crore as per the provisions of the 2010 Grid Code.



(d) The Respondent, UPPCL in its reply has submitted that while making the payment vide letter dated 27.10.2018, UPPCL had indicated that all due towards Reactive Energy Charges pertaining to the Petitioner are settled 'full and final' and that since 2010 Grid Code provides for payment of interest, the presumption would be that the bill given to UPPCL included the interest amount.

(e) However, the above contentions raised by the UPPCL are not tenable as prior to the payment by UPPCL on 27.10.2018, the Petitioner had already filed the present Petition seeking an interest on outstanding Reactive Energy Charges. The 'full and final' settlement as stated by UPPCL was in respect of the principal amount and not in respect of statutory interest thereon as provided in the provisions of the 2010 Grid Code.

3. None was present on behalf of the Respondent, UPPCL despite notice.
4. After hearing the learned counsel for the Petitioner, the Commission reserved order in the matter.

**By order of the Commission**

**Sd/-  
(T.D. Pant)  
Deputy Chief (Law)**

