

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Petition No. 136/SM/2013

Subject : Default in opening of Letter of Credit in accordance with Central Electricity Regulatory Commission (Unscheduled interchanges and related matters) Regulation, 2009

Date of hearing : 10.9.2013

Coram : Shri V.S.Verma, Member
Shri M. Deena Dayalan, Member

Respondents : Power Development Department, J&K.
Secretary, Power Development Department, J&K.

Parties present : Shri Suhail Malik, Advocate for the respondent
Shri Vikas Sharma, PDD, Jammu and Kashmir
Shri H.K.Chawla, NRLDC
Ms Supriya Singh, NRLDC

Record of Proceedings

Learned counsel for the respondents submitted that in compliance with the Commission`s direction dated 13.8.2013, reply has been filed on 9.9.2013. Learned counsel submitted that the State of Jammu and Kashmir enjoys a special status under Article 370 of the Constitution of India. The legislations enacted by the Parliament of India do not extend to the State of J&K unless the President of India in consultation with the government of J&K declares them applicable in the State. He further submitted that Section 1 (2) of the Electricity Act, 2003 provides that the Act extends to the whole of India except the State of J&K. Therefore, the orders passed by the Commission are persuasive and not mandatory in nature. Learned counsel further submitted that even in the absence of the legislative mandate, PDD has initiated the process of consultation with Finance and Law Departments of Jammu and Kashmir.

2. Learned counsel for respondents submitted that J & K is paying the UI charges regularly.

3. The representative of NRLDC clarified that J & K is not paying the UI charges since January 2013.

4. The Commission observed that for non-compliance of the regulations and directions of the Commission, the possibility of denial of short-term open access under the relevant regulations should be explored.
5. Learned counsel for the respondents sought time to seek instructions and file submission in the matter.
6. The Commission observed that the learned counsel is at liberty to file his submission.
7. After hearing the learned counsel for the respondents and the representative of the NRLDC, the Commission reserved order in the petition.

By order of the Commission

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