

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Coram

1. Dr. Pramod Deo, Chairperson
2. Shri Bhanu Bhushan, Member
3. Shri R.Krishnamoorthy, Member
4. Shri S.Jayaraman, Member

**Petition No. 131/2007
(Suo-motu)**

In the matter of

Default in payment of Unscheduled Interchanges (UI) for the energy drawn in excess of the drawl schedule.

And in the matter of

Uttar Pradesh Power Corporation Limited, Lucknow

..Respondent

ORDER

It was reported to the Commission that principal amount of Rs. 767 crore was outstanding against the respondent as arrears of UI charges up to 31.3.2008. Considering the totality of the circumstances, the Commission by its order dated 11.4.2008 directed the respondent to liquidate the entire principal amount of UI arrears in six equal monthly instalments by paying Rs. 128 crore every month, starting from May 2008, in addition to timely payment of UI dues, if any as per weekly UI charges statements issued by NRPC Secretariat. The respondent filed a Civil Misc Application (Writ Petition No. 3014/2007) before the Lucknow Bench of the Hon`ble High Court of Judicature at Allahabad, seeking stay on operation of the Commission's order dated 11.4.2008. Hon`ble High Court in its order dated 2.5.2008, after an undertaking by the respondent to make deposits of the amount of arrears in twelve equal monthly instalments, with timely payment of current UI dues

@ Rs. 7.45 per unit, directed to deposit the amount as per time schedule undertaken by the respondent, failing which action as per law could be taken. In the light of the order dated 2.5.2008 of the Hon`ble High Court, the Commission, by its fresh order dated 29.5.2008 directed the respondent to take necessary action to liquidate the principal amount of UI arrears in twelve monthly instalments of Rs. 64 crore each, starting from May 2008 in addition to timely payment of current UI dues. The respondent was allowed a flexibility to make the payment on different dates within the same month in instalments with the condition that the amount of at least Rs.64 crore per month was paid before the last day of the particular month. The respondent was also directed to make timely payment of current UI dues, if any, as per weekly UI statement issued by NRPC Secretariat.

2. Deputy General Manager, Northern Regional Load Despatch Centre (hereinafter referred to as `NRLDC`) in his status report dated 3.11.2008 submitted to the Commission has stated that the respondent was to pay a sum of Rs. 178.81 crore during the month of October 2008, which includes Rs. 64 crore towards arrears in terms of the Commission's order dated 29.5.2008, and Rs. 114.81 crore towards current UI charges. Against this, the respondent has paid only Rs. 115.54 crore on various dates in October 2008, leaving a balance of Rs. 63.27 crore.

3. From the report of NRLDC, it follows that the respondent has not complied with the direction in the Commission's order dated 2.5.2008. In the circumstances, it has made itself liable for penal action in accordance with law.

4. The respondent is hereby directed to show cause, latest by 30.11.2008, as to why penalty under Section 142 of the Electricity Act, 2003 for non-compliance of the Commission's order dated 29.5.2008, be not imposed on it.

5. List this petition on 4.12.2008 for further directions.

Sd/- (S.JAYARAMAN) MEMBER	Sd/- (R.KRISHNAMOORTHY) MEMBER	Sd/- (BHANU BHUSHAN) MEMBER	Sd/- (DR.PRAMOD DEO) CHAIRPERSON
--	---	--	---

New Delhi dated the 19th November 2008