

Petition No. 644/2010

BEFORE THE UTTAR PRADESH ELECTRICITY REGULATORY COMMISSION

In the Matter of

Approval of One Time Settlement Scheme (OTS) from 1st February, 2010 to 31st March, 2010.

And

In the Matter of

Madhayanchal Vidyut Vitran Nigam Limited (MNVNL),
Poorvanchal Vidyut Vitran Nigam Limited (PuVVNL),
Paschimanchal Vidyut Vitran Nigam Limited (PVVNL),
Dakshinanchal Vidyut Vitran Nigam Limited (DVVNL) and
Kanpur Electricity Supply Company Limited (KESCo).

ORDER

Chairman cum Managing Director, Uttar Pradesh Power Corporation Limited (UPPCL) has filed a petition on affidavit before the Commission for approval of One Time Settlement Scheme (OTS) on 18th January, 2010 (Petition No.644/2010), in his capacity as Chairman of five distribution companies viz. MVVNL, PuVVNL, PVVNL, DVVNL and KESCo.

The one time settlement scheme (OTS) – Samadhan Yojna, as submitted vide the petition, has the following salient features:-

1- Period of Samadhan Yojna

This scheme shall be effective from 01-02-2010 to 31-03-2010 for all categories of Non Govt. electricity consumers.

2- Registration Amount

For availing the facility of this scheme, all categories of Non Govt. consumers, shall have to get themselves registered as per prescribed proforma. Registration amount of Rs. 1000/- shall have to be deposited at the time of registration which shall be adjusted against the bill.

3- Period of Registration

To avail the benefits of this Samadhan Yojna the registration will be open from 01-02-2010 to 31-03-2010

4- Office for Registration

Normally the registration will be done at the Division Office. In case the Divisional Office is situated at a far off place then the officer / official of the Division Office shall go to the Sub-Division Office and do the registration work daily. Wide publicity of the scheme shall be done for registration. In case any consumer approaches the Circle Office for the registration then facility of registration shall be provided in the Circle Office also. Asst. Account Officer / Accountant / Head Bill Clerk shall enroll all the applications in register as per prescribed proforma for registration and shall keep all these records in their office.

5- Issue of Bills

- (a) Corrected bills shall be provided to the consumer same day or within maximum 7 days as per the information to be given in advance to the consumers. The date of providing the correct bill shall be entered on the application of the consumers.
- (b) Consumers whose connections are permanently disconnected can also avail this facility.
- (c) The consumers against whom Section-3 and Section-5 notice have been issued may also avail the benefits of this scheme.

- (d) Those consumers who get themselves registered on the last day that is 31-03-2010 shall also be provided corrected bill on the same day and their payment shall also be received on 31-03-2010.
- (e) Registration of those consumers shall be treated as canceled and the registration amount forfeited who do not deposit the first installment of the corrected bill under this scheme and the monthly bill within the due date. The cases of such consumers shall not be reconsidered. In case the consumer does not turn up for the payment within due date after the registration, then such cases shall not be considered and effective recovery proceedings as per legal provisions / rules shall be done against them.
- (f) The matters under disputes and pending before the Court / Forums shall also be eligible in this scheme provided that consumer shall submit an affidavit duly verified by authorised notary declaring that they shall withdraw their litigation from the Court / Forum after settlement.
- (g) Under this scheme all the registered cases shall be deemed to be disposed off on 31-03-2010 and recovery of dues shall be done as per legal provisions / rules.

6. Action against unregistered consumer having electricity dues

After the expiry of the period of the scheme the connection of all such consumers who are not registered in the scheme and are having arrears, shall be disconnected and recovery proceedings shall be executed against them as land revenue. The disconnection drive shall continue for all un-registered consumers having arrears during the period of this scheme.

7. Provision for Rebate & Installments under OTS scheme

- (1) Arrears as on 01-02-2010 shall be freezed for consideration for the consumer registered under this scheme. The consumer shall pay the running bill of next month. Only consumers of category LMV-1, LMV-2, LMV-4 (B) & LMV-5 shall be given the benefit of payment in installments. Installments may be as below:-

- | | |
|---|--|
| 1- Arrear Upto Rs. 10,000/- | -Full payment |
| 2- Arrear of more than Rs. 10,000/- & upto Rs. 50,000/- | -Down payment of Rs. 10,000/- and balance payment in 2 monthly installments without surcharge. |
| 3- Arrear of more than Rs. 50,000/- & upto Rs.1 lac | -Down payment of Rs. 20,000/- and balance payment in 4 monthly installments without surcharge. |
| 4- Arrear of more than Rs. 1 lac | -Down payment of Rs. 30,000/- and balance payment in maximum 6 monthly installments without surcharge. |

- I- Consumers of other categories also having arrears of more than Rs. 5 lacs shall be provided with the facility of making payments in 4 installments which will be approved / done by Chief Engineer only.
 - II- Consumers of category other than LMV-1, LMV-2, LMV-4 (B) & LMV-5 having arrears less than Rs. 5 lacs shall have to pay the full amount.
 - III- The rebate amount shall be equal to the amount of surcharge included in the arrear. If any consumer who gets relief of surcharge waiver under this scheme fails to deposit the installment amount for more than one month then all the rebate of surcharge shall stand cancelled and full amount of surcharge shall be added to the arrears.
 - IV- If surcharge is not calculable then amount of surcharge shall be taken equivalent to 35% of the total bill.
- 8- If the registration amount is more than the corrected bill amount then the excess amount paid shall be adjusted in the next bills.
- 9- The finalization of bills of the registered consumers under this scheme shall be done on First come, First serve basis.
- 10- **Procedure for Bill Revision**
- (a) Some consumer may require correction of bills on account of date of disconnection, payable amount, billing even after disconnection. It shall be the personal responsibility of concerned Executive Engineer that corrected bill of the consumer registered under the scheme is issued to them in the given time frame. No officer / official below the rank of Executive Engineer shall be empowered to correct the bill or waiver of fictitious arrear.
 - (b) The record of bill revision shall be kept in personal custody of Executive Engineer in the prescribed proforma, of which monthly information shall be sent to Commercial Wing along with the monthly Commercial Statement in prescribed proforma.
 - (c) The revenue received under this scheme shall be shown in Revenue Account of the licensee and it will be indicated separately in ARR for the FY 2009-10.
- 11- No application shall be rejected for registration without any specific reasons.
- 12- This scheme shall also be applicable for the consumers of KESCO, Kanpur.
- 13- The details of calculation of rebate of late payment given to the consumer shall be made available to Commercial Wing as soon as possible so that the same may be sent to UPERC within one month of the completion of the scheme.
- 14- The provision of giving benefit once in a block of 5 years as provided in the Clause - 10 of General Provisions in the Rate Schedule for FY 2008-09 of Tariff Order shall be relaxed and all consumers of the said categories under the scheme shall be eligible for the benefit.

The arrear amount upto Sept.'2009 is Rs. 18,333.27 crores of all Discoms. It shall be the responsibility of the concerned Distribution Division that the scheme shall be widely published through various means and all consumers shall be informed through letters about the arrears due against them and that they can avail the benefit of waiver under the scheme, otherwise after the completion of the scheme, the arrears shall be recovered through Section-3 and Section-5 under Land Revenue Act and no new connection shall be released in the premises against which electricity arrears are pending.

On 29-01-2010, the Chairman cum Managing Director, UPPCL has filed some additional information on affidavit before the Commission, in his capacity as Chairman of five distribution companies viz. MVVNL, PuVVNL, PVVNL, DVVNL and KESCo. The salient points are as follows:

1. That a huge amount of arrears have piled up against different class of consumers and the above named companies are finding it difficult to recover the surcharge from different class of consumers on account of various reasons like dispute in amount of bills, disconnections, and poor paying capacity of the consumers.
2. That in the interest of consumers and financial position of the above named companies, it is prayed to the Commission to allow the above named companies for waiver of hundred percent surcharge so that the balance amount of dues may be recovered from the consumers by adopting rigorous persuasion and other measures within the frame work of law.
3. That, it is prayed to the Commission to allow hundred percent waiver of surcharge; it will facilitate substantial increase into the collection of outstanding amounts from the consumers, which ultimately will reduce the requirement of revenue in the coming year.
4. That the above named companies will not claim, the amount of surcharge waived in the subsequent ARR's to be filed by the above named companies and that the Commission will not be under any obligation to entertain any claim made by the above named companies arising out of waiver of surcharge.

Commission's View

Considering their submissions; the Commission allows the proposed scheme with the following modifications:

A. Period of Samadhan Yojna

(Refer Cl. 1 of UPPCL's Petition No. 644/2010)

This scheme shall be effective from 08-02-2010 to 31-03-2010 for all categories of Non Govt. electricity consumers.

B. Period of Registration

(Refer Cl. 3 of UPPCL's Petition No. 644/2010)

To avail the benefits of this Samadhan Yojna the registration will be open from 08-02-2010 to 31-03-2010.

C. Payment & Recovery of dues

(Refer Cl. 5 of UPPCL's Petition No. 644/2010)

Consumers shall be permitted to get themselves registered upto 31.03.2010. Such consumers shall be provided with corrected bill by 07.04.2010 and their payment shall be received on or before 15.04.2010.

Under this scheme all the registered cases shall be deemed to be disposed off on 15-04-2010 and thereafter the recovery of dues shall be done as per legal provisions / rules.

Further, the Commission observes that the necessary approval by Board of Directors of each DISCOM for implementation of scheme may be taken. All un-metered consumers opting for this scheme shall take metered supply. The arrears such waived under this scheme shall not be allowed as pass through onto consumers in future tariff or true-up exercises. Also, taking into account the above, the Commission relaxes the applicability of the scheme to once in a duration of five years for this OTS scheme only. Further, the Commission directs the petitioner to widely publish the said scheme & apprise the Commission about its opening and closing and the details of the amount collected along with the amount of arrears waived under this scheme within one month of the closure of this scheme i.e. 15.05.2010.

The petition is disposed off.

(Rajesh Awasthi)
Chairman

Dated: 5th February, 2010

Place: Lucknow