

Northern Regional Load Despatch Vs. Power Development Department,

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Court : Central Electricity Regulatory Commission CERC

Decided On : Feb-16-2006

Judge : A Basu, K Sinha, B Bhushan, A Jung

Appellant : Northern Regional Load Despatch

Respondent : Power Development Department,

Judgement :

1. The petitioner has sought directions to Power Development Department, Government of Jammu & Kashmir, referred to as "the primary respondent", to strictly follow the earlier orders of the Commission, to adhere to the provisions of IEGC, particularly Section 6.2 (1) and 7.4.4 thereof to avoid overdrawals from the Northern Regional Grid and also to pay the current as well as the past outstanding dues on account of UI charges with up to date interest. Similarly, a direction is sought to other respondents for strict compliance with the provisions of IEGC.2. We have heard Shri S.K. Soonee along with Shri S.R. Narasimhan for the petitioner. It is stated that an amount of Rs.453 Crore, excluding interest on account of UI for the period up to 29.1.2006 is payable by the primary respondent. They have submitted that because of overdrawals, during December 2005 and January 2006 there have been 500 frequency excursions when the regional grid frequency fell below 48.5 Hz.

3. Shri Mehandi, proxy counsel for Shri Anis Suhrawardy, Advocate for the primary respondent prayed for time to file a reply to the petition.

We are inclined to grant time as prayed for. However, at this stage itself we consider it necessary to take notice of certain facts.

Earlier, the petitioner had filed a petition (No.29/2004) for similar directions as prayed for in the present petition. In those proceedings, the Commission had summoned Shri B.A. Dhar, Secretary, Power Development Department of the State Government. At the hearing of that petition, Shri Dhar had assured the Commission that overdrawals would be curtailed and thereafter there would be no occasions for excess drawals from the grid. On the faith of the undertaking given by Shri Dhar, the petition was disposed of by order dated 22.2.2005 with the following directions: (a) The respondent shall make every effort to contain its drawals from the regional grid to its allocated share. The respondent shall completely stop overdrawal from the grid when the frequency is below 49.0 Hz. This is necessary to avoid grid collapse and breakdown of power supply in large part of the country; (b) The current dues starting from the week ending 30.1.2005 and onwards on account of UI charges and reactive energy charges shall be cleared by the respondent within 10 days in accordance with the existing regulations on the subject. Accordingly, no arrears shall be allowed to accumulate in future; (c) The recovery of arrears pertaining to the period prior to 30.1.2005 shall await the decision of the Central Government with whom the matter is presently pending. It needs no emphasis that the petitioner should continue to pursue with the Central Government to address the question of settlement of arrears in an expeditious and reasonable manner, as ultimately it is the responsibility of respondent to settle the dues.

4. We have been informed by the representatives of the petitioner that the primary respondent has failed to honour the commitment made as overdrawals have continued unabated. The dues starting from the week ending 30.1.2005 have also piled up and no effort has been made to settle the dues pertaining to the period prior to 30.1.2005 as a result of which, the outstanding amount has swelled to Rs.453 crore as already noticed. Under these circumstances, some drastic action is called for.

However, based on a fresh assurance by the learned counsel for the primary respondent, we have deferred any precipitative action. In case we find that no tangible steps have been taken by the next date, we may be constrained to summon the senior functionaries of the State Government, may be the Chief Secretary to the State Government, and also direct disconnection of one or more lines supplying power to the State from the regional grid.

5. List this petition on 2.3.2006 for further directions. Meanwhile, the primary respondent will report to the Commission the steps taken to salvage the situation.

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