

PUNJAB STATE ELECTRICITY REGULATORY COMMISSION
SITE NO. 3, BLOCK B, SECTOR 18-A MADHYA MARG, CHANDIGARH

Petition No. 12 of 2023
Date of Hearing: 17.05.2023
Date of Order: 31.05.2023

Petition under Regulation 47 of Supply Code-2014 and Regulation 69, 70, 71 & 72 of Chapter XIII of the Conduct of Business Regulations 2005 for Introduction of One Time Settlement Scheme for recovery of interest on arrears on account of voltage surcharge @ 10% from LS consumers (except arc/induction furnace consumers) with contract demand exceeding 2500 kVA and up to 4000 kVA catered at 11kV and voltage surcharge @ 17.5% from all arc/induction furnace consumers and other consumers having demand above 4000 kVA which are given supply at 11 kV as per Hon'ble Supreme Court judgment dated 01.03.2017 & 19.06.2017

AND

In the matter of: Punjab State Power Corporation Limited.

.....Petitioner

Commission: Sh. Viswajeet Khanna, Chairperson
Sh. Paramjeet Singh, Member

PSPCL: Sh. Navdeep Singh Chahal, Dy.CE/Sales-2
Sh. N.K Jindal, Dy.CE
Sh. Ajay Bansal, DY.CE
Sh. J.K. Jindal, Sr.Xen

ORDER

1.0 The petition was taken up for hearing on admission. The representative for PSPCL, was heard. PSPCL has filed the present

petition for introduction of One Time Settlement Scheme for recovery of simple interest @ 9% on Voltage Surcharge amount from such consumers affected by Hon'ble Supreme Court judgments dated 01.03.2017 and 19.06.2017.

- 1.1 PSPCL has submitted that the Hon'ble Punjab and Haryana High Court, in LPA No. 605 of 2009 has directed recovery of arrears in lieu of voltage surcharge by PSPCL @10% from LS consumers having demand above 2500 KVA up to 4000 KVA (except Arc/induction furnace) Catered at 11 kV for the period 01.04.2005 to 10.04.2007 and @17.5 % from ARC/INDUCTION furnace Consumers & LS consumers having demand above 4000 KVA Catered at 11 kV for the period 01.10.2004 to 10.04.2007. The decision of the Hon'ble Punjab and Haryana High Court was upheld by the Hon'ble Supreme Court of India vide order dated 01.03.2017 in Appeal No. 6277/2013 and 19.06.2017 passed in Appeal No. 7856 of 2012.
- 1.2 That Field offices were instructed vide letter memo no. 874/78 dated 26.07.2017 to implement Hon'ble Supreme Court's judgments dated 01.03.2017 and 19.06.2017 and adjust/recover the arrears on account of voltage surcharge with interest. However, as per the information received from the field offices, the amount on account of Voltage Surcharge & Interest on it was Rs. 98.54 Crore (Principal

amount = 67.71 Cr. and Simple Interest @ 8.7 % = 30.83 Cr.) out of which the amount of Rs.49.74 Crores (approx.) stands recovered and amount of Rs. 48.92 Crores (approx.) is still pending due to litigation in various courts. As per provisions of Tariff order regulation 21.4 Interest @ 1.5% per month on gross unpaid amount including surcharge payable as per clauses 21.1, 21.2 & 21.3 shall be levied after expiry of 15 days from the due date of the bill till the deposit of outstanding amount.

- 1.3 That various affected consumers had requested for One Time Settlement Scheme for their pending amounts on account of Voltage Surcharge. Keeping in view the request of Industrial consumers, in view of Govt. policy to promote/revive the industry in the state, PSPCL has filed the present petition for giving relief to the aggrieved consumers under a One Time Settlement Scheme.
- 1.4 That the OTS scheme shall be subject to the condition that those consumers, who have filed court cases against the interest amount, charged on the account of voltage surcharge amount which are still subjudice, shall have to submit their willingness in the form of an undertaking for out of court settlement of their outstanding dues. However, the cases which stand decided by any Dispute Settlement

Mechanism/Court, that particular issue/decision of the Dispute Settlement Mechanism/Court shall not be covered under the scheme.

- 1.5 That the proposal to launch OTS scheme was discussed in the BoDs on 20.12.2022 at Chandigarh, wherein it was decided to get the consent of Govt. of Punjab for Introduction of the OTS scheme for recovery of interest on Arrears of Voltage Surcharge subject to approval by PSERC. The Govt. of Punjab has approved the proposal vide OSD/Power Reforms Memo no. POWER/PR 011/1/2023-OSD POWER/56 dated. 23.01.2023.
- 1.6 PSPCL has prayed to the Commission to consider and approve the proposed One Time Settlement (OTS) Scheme for all the consumers affected by Hon'ble Supreme Court Judgment dated 01.03.2017 & 19.06.2017, for recovery of interest on arrears at Simple interest @ 9% (Carrying Cost @8.01% + admin charges @ 1%) for the period from 09.09.2011 (the date of decision of the Hon'ble High Court) till date (the date of realization) on the Voltage Surcharge amount so worked out along with full principal amount from such consumers with eligibility criteria and other detailed terms & conditions.
- 2.0 The Commission has considered the proposal submitted by PSPCL in the present petition. PSPCL earlier filed Petition No. 05 of 2023 for introduction of a One Time Settlement Scheme for all categories of

defaulting consumers (except AP) which already stands decided vide Order dated 15.05.2023. The issue in the present petition is already covered in the decision of the Commission in petition No. 05 of 2023 and therefore the present petition is disposed of in limine in the light of the Order dated 15.05.2023 passed in Petition No. 05 of 2023.

Sd/-
(Paramjeet Singh)
Member

Sd/-
(Viswajeet Khanna)
Chairperson

Chandigarh
Dated: **31.05.2023**

