

UTTARANCHAL ELECTRICITY REGULATORY COMMISSION

ORDER

Tariffs for consumers of electricity in the State were determined and fixed by the Commission in the Tariff Order dated 08.09.2003 and the same are the prevailing retail tariffs and have been in force since 20.09.2003.

2. Uttaranchal Electricity Regulatory Commission (Conduct of Business) Regulations, 2002 required the licensee to file before the Commission its expected aggregate revenue under the prevailing tariffs and the expected cost of providing services for the ensuing year between 15th to 31st December each year. Uttaranchal Electricity Regulatory Commission (Conduct of Business) Regulations, 2004, which were notified on 30.10.2004 and replaced the earlier regulations, require the projected revenue and costs to be filed on or before 30th November instead of 31st December stipulated in the earlier regulations. Further, modified condition no. 25.1(b) of the Distribution Licence issued to Uttaranchal Power Corporation Ltd. (UPCL), the sole distribution licensee for the entire State, also stipulates that the licensee shall file its expected revenue at the prevailing tariff and the cost of providing services for ensuing year not later than 30th November every year.

3. UPCL filed some information before the Commission on 08.06.2004 and again on dated 14.06.2004 but the same was incomplete and not upto date. Therefore, these were returned to the licensee for updating and furnishing the information normally required to be filed with such petitions. On licensee's failure to comply with these directions a show cause notice was issued by the Commission on 03.09.2004. Thereupon, the licensee pleaded that required information was being prepared and sought extension of time up to 20.10.2004 but again failed to file the ARR. On 23.11.2004 UPCL made yet another request seeking once again time upto end of December 2004 now for filing of combined ARRs for 2004-05 and 2005-06.

Looking at the abnormal delay that had already occurred and licensee's past conduct the Commission did not accept the request for further extension of time.

4. Violation of provisions of the Electricity Act, 2003 or the regulations made thereunder attracts punitive action under section 142, 146 and 149 of the Act. Without prejudice to any punitive action that above conduct of the licensee may attract, the Commission hereby initiates *suo-moto* proceedings for scrutinizing the licensee's revenues and expenses for the years 2004-05 and 2005-06 and based on that determine tariffs payable by different categories of consumers in the State. Following action may accordingly be taken immediately:

- a) UPCL, the distribution licensee may be given yet another but final opportunity to submit its ARRs and tariff proposals for the years 2004-05 and 2005-06 alongwith requisite information in accordance with the distribution and transmission tariff regulations by 15.01.2005. If no such proposals are received by the Commission by the above date, it will be presumed that the licensee has nothing to say in the matter and the Commission shall proceed and determine the consumer tariffs based on such data and information that may be or may become available to the Commission.
- b) A public notice may be issued inviting suggestions pertaining to the existing tariffs from consumers and other stakeholders. For this 30 days time may be allowed.

(Divakar Dev)
Chairman

Date: 31st December 2004