

Before

UTTARAKHAND ELECTRICITY REGULATORY COMMISSION

In the matter of:

Application seeking waiver of compensation payable by UPCL as per sub-regulation (3.3.4) of regulation 3.3 of the UERC (The Electricity Supply Code) Regulations, 2007.

Coram

V.J. Talwar, Chairman

Anand Kumar, Member

Date: 25th April 2008

UPCL, the sole distribution licensee of the State vide application No. 846/UPCL/ UERC/F-4 dated 04.04.2008 has requested for waiver of compensation payable by the licensee under sub-regulation (3.3.4) of regulation 3.3 of the UERC (The Electricity Supply Code) Regulations, 2007.

2. Clause (1) of the sub-regulation (3.3.4) of regulation 3.3 of the UERC (The Electricity Supply Code) Regulations, 2007 stipulates as follows:

"If the arrears appear in a bill for the first time, for which payment has already been made within due date, or which are not due to the licensee, the licensee shall pay to the consumer compensation @ 10% of the arrear amount subject to a ceiling of Rs. 500/-"

3. In compliance of the Commission's earlier orders regarding arrangements for collection of bills of domestic consumers, UPCL has stated to have entered into an agreement with the postal department for collection of electricity bills from consumers through post offices spread over whole of Uttarakhand State.
4. UPCL has further stated that based on the feedback received from its field officers that postal department is delaying to deliver the Challan forms (return of receipts) in respect of collection of bills from consumers & consequently the amount collected from consumers by post offices is not

- being credited in their accounts in time resulting in the appearance of the amount, already deposited by the consumer, as arrears in their next electricity bills.
5. In accordance with para-2 above in case arrears appear in a bill for the first time, for which payment has already been made within due date, UPCL is liable to pay compensation to consumers @ 10% of the arrear amount subject to a ceiling of Rs. 500/-.
 6. UPCL has further stated that it has taken steps to resolve the issue with postal department, however it may take some time to streamline the things.
 7. Based on the above and considering the fact that this payment facility available to the consumers is of paramount importance particularly to the consumers residing in remote/rural areas of the State and withdrawal of same shall cause hardship to such consumers, the Commission in exercise of its powers under regulations 8 of the UERC (The Electricity Supply Code) (First Amendment) Regulations, 2008 relaxes the stipulations in clause (1) of sub-regulation (3.3.4) of regulation 3.3 of the UERC (The Electricity Supply Code) Regulations, 2007 and allows the licensee waiver of the compensation payable to the consumers for arrears appearing for first time under the said regulation only in case of the bills paid in the Post Offices upto the end of the current calendar year i.e. 31.12.2008. However, if such arrears which were paid within the due date appear second time in the second billing cycle, the compensation shall be paid by the licensee in accordance with the Regulations.
 8. While extending the application of the said stipulations as above, the Commission directs the licensee to streamline the arrangement and submit its action plan for resolving this problem within 15 days of this Order.

(Anand Kumar)
Member

(V.J. Talwar)
Chairman