

Before
UTTARAKHAND ELECTRICITY REGULATORY COMMISSION
Pet. No. 11 of 2017

In the matter of:

Application seeking approval for the investment for improvement of Bill Collection Facilities of UPCL in lieu of the Order dated 01.09.2005 passed by the Commission.

AND

In the matter of:

Uttarakhand Power Corporation Ltd. (UPCL)

...Petitioner

Coram

Shri Subhash Kumar Chairman

Date of Order: May 15, 2017

Order

This order relates to the Petitions filed by UPCL (hereinafter referred to as Petitioner or Licensee or UPCL), on 09.02.2017 seeking approval for the investment on improvement of Bill Collection Facilities of UPCL in lieu of the Order dated 01.09.2005 passed by the Commission.

Background & Submissions

1. The Commission had earlier, on taking cognizance of various complaints received with respect to different aspects of services being provided by the licensee to its consumers issued an Order dated 09.07.2004 directing the licensee to improve the existing bill collection system and on non-compliance of the same by the licensee, the Commission vide its Order dated 01.09.2005 imposed a penalty of Rs. 1,00,000/- and an additional penalty of Rs. 2,500/- per day on the licensee against which the licensee has been depositing the penalty with the Commission, however, the licensee filed Petition on 09.05.2012 & 30.01.2013 before the Commission for relief and waiver of the aforesaid penalty.

2. While examining the submissions made by the licensee in the aforesaid Petition the Commission observed that the Petitioner had failed to demonstrate earnestness in moving towards discernible improvement in Bill Collection System and vide Order dated 07.01.2016 had held that a view on waiver or recovery would be taken after assessing performance of the Petitioner on following:-

“

(a) actions taken to augment and upgrade its prevailing Bill Collection System in order to make it consistent with the Commission's Order dated 01.09.2005 within six months from the date of issuance of this Order. Bimonthly report of action taken to be furnished to the Commission

“

(c) submit comprehensive Action Plan latest by 25.01.2016 including distinct focus/plan for Bill Collection System in rural and urban areas of the State in accordance with the orders/direction by the Commission in this regard for effective implementation of the direction issued at para (a) above.”

3. On failing to implement the directions of the Commission and bring forth any justifiable reason to waive of the penalty by the Petitioner in the said Petition for waiver & refund of penalty, the Commission rejected the said Petition vide its Order dated 11.01.2017.
4. Consequently, for ensuring the compliance of the directions issued by the Commission vide Order dated 01.09.2005 & 07.01.2016, the Petitioner has filed the present Petition for Investment Approval before the Commission. The Commission conducted a hearing on 10.03.2017 and admitted the Petition vide its Order dated 10.03.2017.
5. The Petitioner in its Petition has submitted that with a view to provide better facilities at the Bill Collection Centers of UPCL for the consumers, it has identified 160 number of locations covering rural & urban areas of the State wherein, it has considered five basic facilities viz. shed, drinking water, fan, toilet and sitting arrangement as standard in the proposed plan and for arranging the same it has come up with an estimated amount of Rs. 11.20 Crore. Further, the Petitioner has submitted that for the said works funds will be arranged from its internal sources. The amount proposed in each Circle and the Division-wise centers proposed for arranging the facility is given below:-

Sl. No.	Zone	Circle	Division	Rs. in Lakh	No. of Centers proposed
1	Kumaon	Ranikhet	ALMORA	149.34	5
2			RANIKHET		8
3			BHIKIYASAIN		6
4			BAGESHWAR		7
5		Haldwani	NAINITAL	112.06	6
6			HALDWANI (U)		5
7			HALDWANI (R)		7
8		Kashipur	RAMNAGAR	143.38	5
9			JASPUR		6
10			KASHIPUR		7
11		Rudrapur	BAZPUR	67.63	5
12	Pithoragarh		PITHORAGARH		7
13			CHAMPAWAT		2
14	Rudrapur		SITARGANJ		45.63
15		RUDRAPUR	5		
16	Garhwal	Srinagar	PAURI	290.22	6
17			SRINAGAR		4
18			RUDRAPRAYAG		3
19			GOPESHWAR		3
20			KOTDWAR		11
21		Tehri	TEHRI	55.83	6
22			UTTARKASHI		2
23		Dehradun	DEHRADUN (NORTH)	23.44	4
24			DEHRADUN (SOUTH)		2
25		Dehradun (R)	RISHIKESH	79.34	1
26			VIKASNAGAR		5
27			DEHRADUN (RURAL)		2
28			DOIWALA		4
29		Haridwar	HARIDWAR (URBAN)	90.89	4
30	HARIDWAR (RURAL)		3		
31	LAKSAR		5		
32	Roorkee	ROORKEE (URBAN)	62.32	4	
33		ROORKEE (RURAL)		6	
Total				1120.08	160

**Space for 2 Bill Collection Centers not available*

6. The Petitioner has taken approval from the BOD and copy of the same is submitted before the Commission along with its Petition. Further, the Petitioner has submitted that no environment clearance is required in the matter and a period of one year is expected in completion of all the works proposed after the tender formalities.
7. Furthermore, the Petitioner has submitted that cost incurred in the proposed investment will facilitate the consumers of the Company and will provide basic facilities at the existing billing centers across the state.

Commission's View & Decision

8. The Commission is of the view that the Petitioner should expedite in completing the tendering formalities and execute the project within minimum possible time so as to minimise the delay w.r.t. compliance of the directions issued vide Commission's Order dated 01.09.2005 in the matter of Bill

Collection Centre.

9. The present Investment Approval Petition is an attempt in line with what the Commission has repeatedly been directing the Petitioner since 2004 onwards. Since, the proposed investment by the Petitioner is an endeavor to achieve the intent of the Commission reflected in its various Orders hence, the Commission grants in-principle approval to the Petitioner subject to the fulfillment of following conditions:

- (1) The infrastructure of the Bill Collection Centre including facilities thereof should be scientifically planned strictly as per the requirement of the area where the Bill Collection Centre are situated including no. of consumers catered by the Centre.
- (2) The Petitioner should also formulate a concrete plan for the up-keeping/maintenance of the infrastructure in future.
- (3) The Petitioner shall submit a quarterly progress report before the Commission of the works allowed under the investment Petition.
- (4) The Petitioner shall ensure timely completion of the Billing Centers and after completion of the Works, the Petitioner shall submit the detailed report on completed works.
- (5) After completion of the aforesaid works, the Petitioner shall submit the completed cost and financing of the project.
- (6) The cost of servicing the project cost shall be allowed in the Annual Revenue Requirement of the Petitioner after the assets are capitalized and subject to prudence check of cost incurred.

Ordered accordingly.

(Subhash Kumar)
Chairman