

BEFORE

THE UTTAR PRADESH ELECTRICITY REGULATORY COMMISSION,

LUCKNOW

Petition No.: 977/2014

IN THE MATTER OF:

Petition for One Time Settlement Scheme (OTS) of 100 % Surcharge Waiver for LMV-1(RURAL), LMV-2 (RURAL) and LMV-5 (RURAL) Consumers in the camps being organized between 11.11.2014 to 10.01.2015.

And

IN THE MATTER OF:

MadhayanchalVidyutVitran Nigam Ltd. (MVVNL), PurvanchalVidyutVitran Nigam Ltd. (PuVVNL), PaschimanchalVidyutVitran Nigam Ltd. (PVVNL), DakshinanchalVidyutVitran Nigam Ltd. (DVVNL) & Kanpur Electricity Supply Company Ltd.(KESCo).

..... Petitioners

<u>Present</u>

- 1. ShriDesh Deepak Verma, Chairman
- 2. Shri I. B. Pandey, Member

<u>ORDER</u>

A petition has been filed on 3rd November, 2014 by PVVNL, PuVVNL, MVVNL, DVVNL&KESCo in the above matter. The Commission vide its Order dated 11th November, 2014 approved the One Time Settlement Scheme (OTS) of 100 % Surcharge Waiver for LMV-1(RURAL), LMV-2 (RURAL) and LMV-5 (RURAL) Consumers in the camps being organized between 11.11.2014 to 10.01.2015.

However on 13th November, 2014 the petitioners filed a review petition praying for a review of the Commission's Order dated 11th November, 2014. The details provided in the review petition are reproduced as follows:



Quote

1. That Hon'ble Commission in the matter of One Time Settlement Scheme (OTS) of 100% Surcharge Waiver for LMV-1 (Rural), LMV-2 (Rural) and LMV-5 (Rural) Consumers in the camps being organized upto 10.01.2015 has issued the following order:

"The Commission feels that providing 100% waiver will maybe not send the right signals to the honest consumers' who pay their bill on time. However to achieve a more important, necessary and bigger objective of achieving '100 % metering', the Commission as a special case allows 100% waiver only for this One Time Settlement Scheme (OTS) for LMV-1 (Rural), LMV-2 (Rural) and LMV-5 (Rural) Consumers for the period (11.11.2014 to 10.01.2015) provided they undertake to become metered consumers"

- 2. That it is apparent from the above order that the Commission has allowed the facility of 100% Surcharge waiver to consumers who are unmetered and undertake to get metered.
- 3. In the above context, it is to submit that in the surcharge waiver petition submitted before the Commission the Discoms had prayed the Commission to allow 100% surcharge waiver to all the metered and unmetered LMV-1, LMV-2 and LMV-5 in the rural areas on the grounds that the consumers in the rural areas have faced extreme financial hardship in the current financial year due to non-receipt of payments against cane crops due to various disputes related to minimum support price and there also has been a draught like situation in the state of Uttar Pradesh in the recent past. This has critically affected the paying capacity of farmers, who even otherwise find it difficult to maintain their sustenance thereby pulling their poor financial health further spirally downward. This has led to a situation of non-payment of electricity dues.
- **4.** It is to underline that the petitioners had requested for universal application of surcharge waiver scheme for the rural metered and unmetered consumers mentioned above as both had to face the vagaries of nature and accordingly the financial hardships in the recent past.
- 5. That restrictive application of surcharge waiver scheme therefore would be against equity and would lead to un-reasonable discrimination between the metered and unmetered consumers. This may further invite un-necessary ire of metered consumers during the implementation of the scheme as they will feel that they are being penalized or discriminated against just because of the fact they abided by the directive of metering prior to those consumers who are opting for it today.
- **6.** Accordingly, the Commission is requested to recall its order dated 10.11.2014 and extend the application of 100% surcharge waiver to metered LMV-1,LMV-2 and LMV-5 consumers who are metered or who undertake to get metered in the rural areas.



Prayer

The Petitioner respectfully prays the Hon'ble Commission to review its order dated 10.11.2014 and:-

- a) Allow the prayer to implement the 100% surcharge waiver scheme for all LMV-1, LMV-2 and LMV-5 consumers in the rural areas who are metered or who undertake to get metered during the camps being organized upto 10 January 2015 for large scale metering of rural consumers without the requirement of subsidy from the State Government.
- b) Issue any other orders which Hon'ble Commission may deem fit.

Unquote

The Commission Analysis:

The Commission's Order dt. 11th November, 2014 does not restrict the metered consumers from the ambit of the referred OTS Scheme. The OTS Scheme has been approved for all for LMV-1(RURAL), LMV-2 (RURAL) and LMV-5 (RURAL) Consumers which comprise both unmetered and metered consumers. It only puts a special condition for the unmetered consumers who avail this OTS Scheme to undertake to become metered consumers.

However the Commission hereby clarifies that the One Time Settlement Scheme (OTS) of 100 % Surcharge Waiver for LMV-1(RURAL), LMV-2 (RURAL) and LMV-5 (RURAL) Consumers in the camps being organized between 11.11.2014 to 10.01.2015would be applicable for both – unmetered & metered consumers. However all unmetered consumers who avail the benefit of the above OTS Scheme, would undertake to become metered consumers.

The petition is disposed of.

(I. B. Pandey) Member (Desh Deepak Verma) Chairman

Place: Lucknow Date: 13thNovember, 2014