

**ORISSA ELECTRICITY REGULATORY COMMISSION**  
**BIDYUT NIYAMAK BHAWAN**  
**UNIT – VIII, BHUBANESWAR – 751012**  
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**Present : Shri K.C. Badu, Member**  
**Shri B.K. Misra, Member**

**Case No.37/2010**

**IN THE MATTER OF: Application under Section 94 (g) of the Electricity Act, 2003 read with Regulation 9(1) of the OERC (Conduct of Business) Regulation, 2004 to waive out the DPS component amount Rs.526.41 crore on the existing BST dues as on 31.03.2005.**

**AND**

**IN THE MATTER OF :**

Central Electricity Supply Utility of Orissa.  
Represented through its Chief Executive Officer,  
Having its registered officer at  
2<sup>nd</sup> Floor, IDCO Towers,  
Bhubaneswar - 751022

... Petitioner

Vrs.

1. GRID Corporation of Orissa Ltd,  
Represented through the Chairman-Cum-Managing  
Director, Janapath, Bhubaeswar
2. Commissioner-cum-Secretary to Government,  
Department of Energy,  
Govt. of Orissa, Bhubaneswar

... Respondents

For the petitioners :Shri Harichandra Sahoo, DGM(Law), Sri B.K.Nayak,  
counsel & Shri H.L.Roy, GM(Finance)

For the respondents :Shri T. Das S.O, Department of Energy, Govt. of Orissa

**Date of Hearing: 11.05.2010**

**Date of Order : 31.05.2010**

**ORDER**

1. The case is filed by CESU, the petitioner in the matter, to waive out the DPS component amount of Rs.526.41 crore on the existing BST dues as on 31.03.2005.

2. The Commission has dealt this case for review of order dated 26.10.2009 passed by the Commission arising out of case No. 115 of 2004 and also in the last RST Order for FY 2000-2011 in the para 497 to 501. The extract of the para-500 & 501 are given below for ready reference:

500. *Commission has gone into the details of the said petition filed by CESU. The Commission in the Order dtd. 1.12.2008 regarding securitisation of receivables of GRIDCO from DISCOMs directed regarding payment of securitized amount agreed between GRIDCO and DISCOMs as on 31.03.2005. In the said order Commission directed that in line with its own Order dtd. 20.07.2006, DISCOMs shall pay the outstanding loans including interest along with securitized BST dues as on 31.03.2005 in 120 monthly instalments (maximum) within 2015-16. The Commission further directed that number of instalments fixed by the Commission vide order dtd. 20.07.2006 DISCOMs for liquidating the outstanding BSP dues (excluding DPS), loan and interest shall remain unaltered. In addition to above the DISCOMs shall pay the DPS before 2015-16.*

501. *Commission in light of the above facts observes that CESU is required first to pay the instalments towards Loan balance amounting to Rs.470.47crore along with the outstanding BSP dues of Rs.685.36 crore as directed in the securitisation order dated 1.12.2008 before 2015-16. Once the above amounts are paid out fully by the CESU, Commission would take a view on the payment of DPS amounting to Rs.526.41 crore. CESU has advanced certain arguments regarding arriving and waiving out of the DPS as discussed earlier. CESU has averred that the huge DPS has accumulated due to reasons beyond their control. We are now not going into details of the calculation of such DPS which is certainly a huge amount in comparison to other DISCOMs. CESU is again directed to repay GRIDCO the Loan balance as well as outstanding BSP dues fully and then approach Commission regarding payment of DPS amount as agitated by them. Once these amounts are paid in full by CESU, it can approach Commission for redressal of the issue of DPS. Commission would thereafter go into the merits of the case and pronounce a suitable order*

*regarding payment of DPS by CESU to GRIDCO as directed in the securitisation order dated 1.12.2008.*

3. The Commission in view of the above observations in the ARR of FY 2010-11, directs CESU to repay GRIDCO the loan Balance and Outstanding BSP dues fully as per the securitization order dtd. 01.12.2008, without DPS component. CESU after repaying all such dues may file a fresh application with the Commission in the matter to waive out the DPS component amounting to Rs.526.41 crore on the existing BST dues as on 31.03.2005. After taking into account the totality of the circumstances, situation and good payment behaviour Commission would take an appropriate decision in the matter after hearing all the concerned parties.
4. The petition of the CESU is accordingly disposed of.

Sd/-  
**(B.K. Misra)**  
**Member**

Sd/-  
**(K.C. Badu)**  
**Member**