

**ODISHA ELECTRICITY REGULATORY COMMISSION  
BIDYUT NIYAMAK BHAWAN  
UNIT-VIII, BHUBANESWAR - 751 012**

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**Present:**        **Shri S. P. Nanda, Chairperson**  
                      **Shri S. P. Swain, Member**  
                      **Shri A. K. Das, Member**

**Case No. 42/2014**

CESU	.....	Petitioner
Vrs.		
SOUTHCO Utility	.....	Respondent

**In the matter of:**    **An application under Section S .142 of the Electricity Act, 2003 for non-implementation of the order/direction dated 02.12.2013 of the Commission passed in Case No. 18/2013.**

**For Petitioner:**        Shri S. K. Harichandan, AGM (Law), CESU.

**For Respondent:**     Shri Jayram Parida, GM (Commerce)  
                              Shri Subrat Kumar Routray, DMF (Com.& RA), SOUTHCO Utility.

**ORDER**

**Date of hearing: 13.10.2015**

**Date of order:12.11.2015**

The present petition has been filed by CESU for non-compliance of the order of the Commission dated 02.12.2013 passed in Case No. 18/2013 by SOUTHCO Utility. The case had a genesis when SOUTHCO Utility had received some material from CESU sometime during FY 1999-2000 and had not paid fully for the same. The Commission in their order dated 02.12.2013 had directed the Petitioner CESU to sit together with the DISCOMs who had borrowed the material and settle the dispute amicably with due intimation to the Commission. However, SOUTHCO utility was given liberty to deposit the balance amount within three month from the date of the order due to cyclone.

2.     After receipt of the said order of the Commission, the Petitioner CESU on 06.12.2013 requested the respondent SOUTHCO utility for making payment of the entire amount due to it. When SOUTHCO utility did not take any step in this regard it was reminded again by the Petitioner on 26.04.2014. Now the Petitioner alleges non-payment by SOUTHCO Utility since the issuance of the above order of the Commission till date and prays for intervention by the Commission. The Petitioner also requests the

Commission to impose penalty on SOUTHCO Utility under Section 142 of the Electricity Act, 2003.

3. The Commission had issued Show Cause Notice to SOUTHCO Utility on 13.06.2014 asking it to explain why action under Section 142 of the Electricity Act, 2003 shall not be initiated against it for violation of the Commission's order on 02.12.2013.
4. In its reply SOUTHCO Utility submitted that at present it is unable to pay the outstanding amount due to CESU as it is undergoing severe financial hardship. It has requested the Commission to give direction to GRIDCO Ltd. for escrow relaxation for payment to CESU for its material cost amounting to Rs.1,37,73,320.70/- without interest.
5. Heard the parties at length. During hearing both the parties agreed that there is no dispute on the outstanding amount. The Respondent requested the Commission to allow it to repay the outstanding amount due to CESU in 12 monthly installments. But the representative of CESU insisted that SOUTHCO Utility should pay in six installments instead of 12 installments.
6. After hearing the parties and perusal of case records we direct the Respondent SOUTHCO Utility to pay the agreed outstanding amount without interest to CESU in 10 monthly installments w.e.f. November, 2015. The issue was raised by CESU as late as 2013 without any follow up since inception. After Commission's order dated 02.12.2013 GRIDCO Limited has not relaxed the escrow for this. For this, we are not inclined to award the interest cost on SOUTHCO Utility for this at the cost of consumer's interest. GRIDCO Ltd. is required to allow escrow relaxation to SOUTHCO Utility to that extent. We direct accordingly.
7. With above direction, the case is disposed of.

Sd/-  
**(A. K. Das)**  
Member

Sd/-  
**(S. P. Swain)**  
Member

Sd/-  
**(S. P. Nanda)**  
Chairperson