

Before
UTTARAKHAND ELECTRICITY REGULATORY COMMISSION

Petition No.: 10 of 2022

In the Matter of:

Suo-moto proceedings initiated by the Commission in the matter of Show Cause Notice issued vide letter dated 27.01.2022 and in the matter of non-compliance of the Commission's directions issued during the meeting held on 21.08.2020 in the Commission's office for reviewing the status of construction of Bill Collection Centres.

And

In the Matter of:

Non-compliance of the Commission's directions issued during the meeting held on 28.04.2022 in the Commission's office for reviewing the progress of capital works approved by the Commission for UPCL.

&

In the Matter of:

Managing Director,
Uttarakhand Power Corporation Ltd.,
Victoria Cross Vijeta Gabar Singh Urja Bhawan,
Kanwali Road, Dehradun

...Respondent

Coram

Shri D.P. Gairola

Member (Law)/Chairman(I/c)

Shri M.K. Jain

Member (Technical)

Date of Order: November 03, 2022

ORDER

This Order relates to the *Suo-moto* proceedings initiated by the Commission against Uttarakhand Power Corporation Ltd. (hereinafter referred to as "the Respondent" or "UPCL" or "The Licensee") in the matter of 'Suo-moto proceedings initiated by the Commission in the matter of Show Cause Notice issued vide letter dated 27.01.2022 and in the matter of non-compliance of the Commission's directions issued during the meeting held on 21.08.2020 in the Commission's office for reviewing the status of construction of Bill Collection Centres' and in the matter of 'Non-compliance of the Commission's

directions issued during the meeting held on 28.04.2022 in the Commission's office for reviewing the progress of capital works approved by the Commission for UPCL'.

Background

2. In the matter relating to improving the condition of the Bill Collection Centres (BCCs) at UPCL, the Respondent filed a petition before the Commission seeking approval of an investment proposal of Rs. 11.20 Crore for construction of Bill Collection Centre across the State within a period of one year. The said approval was accorded by the Commission vide its Order dated **15.05.2017**.
3. Subsequently, the Commission considering progressive attempts of Respondent, viz., making available cash counters, Mobile bill payment, Bill payment at PNB counters, Online payment, integration of CSCs etc., took a lenient view and vide its Order dated 10.04.2019, withdrew the daily penalty of Rs. 2500/- imposed on UPCL vide the aforesaid Order dated 01.09.2005.
4. Thereafter, several review meetings and proceedings were conducted in the matter wherein, the Commission had expressed its displeasure over the lackadaisical approach of the Respondent towards construction of BCCs across the State. In-response, the Respondent submitted that the delay in construction of BCCs was primarily due to incompetence of the contractor resulting in delay in execution of works within the time bound period. Taking a considerate view, the Commission in its Order dated **11.02.2022** in the matter gave last and final opportunity for completing the work of construction of balance BCCs and further, directed to furnish monthly progress report before the Commission till completion of the said works.
5. A review meeting was held in the Commission's office on **28.04.2022** wherein the Respondent apprised the Commission that the construction of 14 nos. BCCs in Kumaon Zone are yet to be completed.
6. On non-receipt of satisfactory information from the Respondent w.r.t. the construction of balance BCCs and acknowledging the issue of ill-maintenance of existing BCCs, the Commission vide its letter dated **04.08.2022** issued a letter to the Respondent directing it to furnish the list of BCCs pending for completion in Kumaon Zone and furnish factual position w.r.t. the maintenance/upkeep of

existing BCCs in the State specially covering the BCCs highlighted in the newspaper 'Hindustan' dated 29.07.2022 latest by 22.08.2022.

Respondent's Reply

7. Thereafter, the Respondent vide its letter dated 22.09.2022 submitted its compliance stating that 03 nos. BCCs are pending for completion and are expected to be completed by 30.09.2022. Further, with regard to maintenance/upkeep of existing BCCs the Respondent furnished following:-

"2. Factual Position of existing different BCCs highlighted in the Newspaper:-

The issues/abnormalities published in the newspaper cutting regarding the billing center of Araghar, Haridwar, Jwalapur, Pithoragar, Rishikesh have been attended by the concerned divisions and the photographs after resolving the abnormalities are enclosed as division wise Annexure. Further, strict instructions have been passed to field units for proper maintenance of the facilities at BCCs.

Further the completion work is still in progress at Bageshwar's billing collection center which is expected to be completed by 30.09.2022 as mentioned above at point no. 1.

3. Direction to furnish the names of concerned officers responsible for delay:-

In this context, it is to inform that M/s National Construction, Rudrapur (Udham Singh Nagar), the agency that was awarded the work of BCCs in Kumaon Zone has been blacklisted, due to the non fulfillment of contractual terms and conditions.

4. Regarding up keep/maintenance of existing BCCs in the State:-

In this context, it is to inform that the necessary directions have been issued to the field units by Director (Operation), UPCL for upkeep and maintenance of the necessary facilities at BCCs in future."

8. Subsequently, UPCL vide its letter dated 17.10.2022 submitted the following status of construction of BCCs as on 10.10.2022:-

"i. Package-A (Garhwal Zone): Under this package, collection centre facilities were to be provided in 52 centers of 04 electricity distribution circles and work at all the 52 centers has been completed.

ii. Package-B (Haridwar Zone): Under this package, collection centre facilities were to be provided in 22 centers of 02 electricity distribution circles and work at all the 22 centers has been completed.

iii. Package-C (Kumaun Zone): Under this package, collection centre facilities were to be provided in 65 centers of 03 electricity distribution circles and work at all the 65 centers has been completed.

iv. Package-D (Rudrapur Zone): Under this package, collection centre facilities were to be provided in 18 centers of 02 electricity distribution circles and work at all the 18 centers has been completed."

Commission's Observations, Views & Directions: -

9. On the above submissions of the Respondent w.r.t. construction of BCCs, the Commission has observed that inordinate delay in construction of BCCs has taken place ever since the Commission had given investment approval for the same vide its Order dated 15.05.2017. Further, it is observed that the delay in construction of BCCs were exceptionally high in Kumaon Zone wherein, the issue of contractor remained unresolved for quite a long time. In-fact, the Commission during its various review meetings had strictly directed the Respondent to expedite the construction of BCCs. However, after a very long delay of more than 05 years since the approval for construction of BCCs was granted, it is very recently that the work has been completed.
10. The Commission opines that notwithstanding the fact that Uttarakhand has a tough geographical terrain causing hindrance in swift operations, it has been categorically seen in the instant matter that there has been exceptional delays in execution of works for reasons attributable and within the control of UPCL and, therefore, the Commission had directed the licensee to furnish list of officers responsible for the same. However, the Respondent has tried to circumvent the issue by responding that the concerned contractor has been blacklisted. In this regard, the Commission is of the view that the Respondent at first instance should make its contracts in such a manner that it safeguards its interests and penalizes the contractors responsible for delay in execution of the work as per the schedule and repeated defaults by the contractors should be followed by a prompt action of blacklisting the concerned contractor. This would not only help in providing the prompt services to the consumers but also such action would deter the habitual defaulting contractors.
11. With regard to the maintenance/upkeep of BCCs, the Commission is of the view that the same is an ongoing process and is essential for providing quality services to the electricity consumers of the State. Thus, periodical maintenance of various equipment/conveniences in these centers is essential and calls for proper planning/action at each Subdivision/Division level on a regular basis in so far the upkeep/maintenance of these BCCs is concerned.

12. The Commission is of the view that the Respondent has conducted itself in a very lackadaisical manner not only w.r.t. delay in execution of works but also the laxity shown in managing its contractors. However, taking a considerate view the Commission is not taking any coercive action against the officers responsible for delay in execution of work pertaining to construction of BCCs in Kumaon Zone.
13. In-light of the above, the Commission decides to conclude the matter of construction of Bill Collection Centers with a direction to ensure prompt maintenance/upkeep of its Bill Collections Centers on regular basis.

The matter is hereby disposed-off.

Ordered accordingly.

(M.K. Jain)
Member (Technical)

(D.P. Gairola)
Member (Law) / Chairman (I/c)