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**BEFORE THE PUNJAB STATE ELECTRICITY REGULATORY COMMISSION,  
CHANDIGARH**

**IN THE MATTER OF**

**PETITION NO. 9 OF 2021**

**Petition under Regulation 47 of Supply Code-2014 and Regulation 69, 70, 71 & 72 of chapter XIII of the conduct of Business Regulations 2005 for introduction of One Time Settlement Scheme for all categories of defaulting consumers (except AP).**

**AND**

**IN THE MATTER OF  
PUNJAB STATE POWER CORPORATION LIMITED,  
THE MALL, PATIALA, PUNJAB.**

**MOST RESPECTFULLY SHOWETH**

1. That this petition is being filed by the petitioner i.e. Punjab State Power Corporation Limited (PSPCL) for introduction of One Time Settlement (OTS) Scheme for all categories of defaulting consumers (except AP) under Regulation 47 of Supply Code-2014 and Regulation 69, 70, 71 & 72 of chapter XIII of the conduct of Business Regulations 2005.

**2. Background**

Hon'ble PSERC had approved One Time Settlement Scheme for defaulting consumers of all categories (except AP) including Govt. departments vide memo no. PSERC/Tariff/T-134/422 dated 22.05.2018 to provide an opportunity to settle outstanding dues of running connections/to revive the disconnected connections. The Instructions regarding the Scheme were issued vide CC No. 35/2018 dated 24.05.2018 (Annexure-A) and it was valid upto 23.08.2018. The scheme was extended for another three months vide CC No. 54/2018 dated 30.08.2018 which was valid upto 29.11.2018. Total 1023 cases having outstanding amount of Rs. 173.77 crores were settled under above mentioned OTS scheme in the FY 2018-19. Keeping in view the good response to the OTS scheme and that a huge defaulting amount towards Government Departments & General Public was still

Annexure-A  
P-6 to 8

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Annexure-B  
P-9 to 13

pending, OTS scheme was re-introduced vide CC No. 32/2019 dated 13.06.2019 (Annexure-B) with the approval of Commission and was valid upto 12.12.2019 on the same terms and conditions as approved by Hon'ble Commission vide above mentioned memo no. PSERC/Tariff/T-134/422 dated 22.05.2018. Under this scheme, total 356 applications with outstanding amount of Rs. 174 crores approximately were registered in the FY 2019-20. The settled amount against these registered applications is Rs. 121 crores.

### 3. Representation for the reintroduction/extension of One Time Settlement Scheme

Annexure-C  
P-14

Annexure-D  
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Representations have been received for the re-introduction/ extension of OTS scheme for all categories of consumers (except AP). Punjab Cotton Factory and Ginner's Association (Regd.) vide letter dated 08.02.2020 (Annexure-C) and Consumer Welfare Council vide letter dated 04.06.2020 (Annexure-D) submitted that the Industrial Units in Punjab State is in sick position and these sick units, which are shut down due to their financial constraints, are always willing to revive their units. Electricity is a major need for any industrial Unit for its continuity. Revival of these units may boost up the employment in the state. It may also benefit the state by generating revenue and can generate additional revenue for PSPCL by consuming its surplus power. Keeping in view the financial position of Industrial Units and surplus power position of the state, the Association has requested for extension of OTS scheme for another one year. Association further requested to relax the condition of charging interest on the defaulting amount outstanding against the disconnected consumers and also to waive off the condition of deposit of fixed charges/MMC of one year.

4. Keeping in view of above mentioned representations for re-introduction of OTS scheme and in line with the policy of the State Govt. to promote Industries and create additional employment so that industry may come out of recession and State being surplus in power, the Board of Directors of PSPCL in its 65<sup>th</sup> meeting held on 16.12.2020 has decided to re-launch the OTS scheme subject to

*Dr. K.*



approval of PSERC with some more liberal relaxation in its already approved terms and conditions for settlement of dues of the consumer.

5. The outstanding unpaid amount/defaulting amount as on 31.10.2020 is Rs. 4430.15 Crores which includes 2313.90 Crores of Government departments. In present days, PSPCL is also facing acute shortage of revenue and outbreak of Covid-19 pandemic further increased this problem as there are no timely payments of bills by PSPCL consumers. Receipt of defaulting amount from consumers under the proposed OTS scheme will facilitate to improve the present financial crunch being faced by PSPCL to some extent in addition to reduction in cases under litigation with PSPCL.
6. Further to ensure that more and more consumers register their applications under OTS scheme and in view of adverse financial impact of outbreak of Covid-19 pandemic on the consumers of the state, Commission may consider following proposal:
  - a) Waiver of 80% of unpaid LPS & LPI accumulated in outstanding defaulting amount {except on account of Additional Security (Consumption)} subject to maximum 25% of total outstanding defaulting amount may be given.
  - b) Additional waiver of 20% of unpaid LPS & LPI over and above the proposed waiver of 80%, may also be given in case of deposit of settled amount to consumer within 15 days from the date of intimation of settled amount by PSPCL to consumers to encourage the early payment by the consumer
  - c) For those consumers who have been disconnected and want reconnection, the amount payable shall be the defaulting amount computed as per above para (a) alongwith payment of 40% of the fixed charges/MMC for the period of disconnection or service connection charges for release of new connection whichever is lower, as approved by the Commission from time to time.

