



**EXTRAORDINARY
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FINANCE DEPARTMENT

NOTIFICATION

The 30th March 2023

SUBJECT—Settlement of arrear electricity charges of Government Departments till the 31st January 2023.

No. 10142—FIN-WF2-MISC-0031/2023-F.—Odisha Electricity Regulatory Commission (OERC) vide order dated the 22nd December 2022 has approved the One Time Settlement (OTS) Scheme which is valid up to the 21st April 2023. The OTS Scheme 2022 is meant for settlement of past arrears accumulated prior to the effective dates (i.e. takeover) by present TP DISCOMs and does not pertain to the period after takeover. Accordingly, Energy Department has suggested for settlement of both pre-vesting and post-vesting period outstanding dues centrally total amounting to Rs.168.46 crore till the 31st January 2023 which comprises of Rs.61.92 crore pertaining to pre-takeover period under OTS Scheme, 2022 & Rs.106.54 crore pertaining to post-takeover period which includes Delayed Payment Surcharge (DPS) of Rs. 6.35 crore.

2. Arrear Electricity Charges: The arrear Electricity Charges (EC) payable by Government consumers till the 31st January 2023 has been arrived at Rs.168.46 crore which comprises of Rs. 61.92 crore under OTS for pre-vesting period and Rs. 106.54 crore (including DPS of Rs. 6.35 crore) for post-vesting period. This excludes outstanding EC payable by Public Sector Undertakings (PSUs), Autonomous Organisations and Local Bodies (ULBs & PRIs), which would be taken up separately with the concerned Administrative Departments.

3. Settlement of Energy Charges under OTS Scheme, 2022: DISCOMs wise settlement amount towards outstanding arrear dues of Government Departments up to the 31st January 2023 pertaining to pre-vesting period as per OTS Scheme approved by OERC is tabulated below :—

TP DISCOM	Settlement of Electricity dues under OTS Scheme (Rs. in crore)
TPCODL / CESU	18.32
TPWODL / WESCO Utility	25.38
TPSODL / SOUTHCO Utility	7.59
TPNODL / NESCO Utility	10.63
Total :	<u>61.92</u>

4. Settlement of Energy Charges for the post-vesting period: For Electricity Charges payable for post- takeover period the regular rate of Delayed Payment Surcharge (DPS) against payment of outstanding ECs beyond the due date is chargeable at 15%. However, DPS would be charged at the rate equivalent to cost of borrowing of TP DISCOMs, which is 8.50% p.a. . Thus, the DPS payable @ 8.50% p.a. against the outstanding arrear amount of Rs.100.19 crore has been arrived at Rs.6.35 crore. DISCOM wise summary of outstanding Energy Charges against Government consumers and DPS chargeable at the cost of borrowing to be settled is given in the following table :—

TP DISCOM	Energy Charges	DPS @ 8.5%	Total including DPS (Rs. in crore)
TPCODL	32.25	1.73	33.98
TPWODL	31.71	1.97	33.68
TPSODL	17.47	1.59	19.06
TPNODL	18.76	1.06	19.82
Total :	<u>100.19</u>	<u>6.35</u>	<u>106.54</u>

5. Principles of settlement of arrear Electricity Charges : The State Government being a model consumer need to set an example for others in clearance of outstanding dues and timely payment of electricity dues to the DISCOMs. As such, the outstanding electricity charges of Government offices as on the 31st January 2023 is to be settled as per the following principles :—

- i. The outstanding Electricity Charges as on the 31st January 2023 amounting to Rs.61.92 crore pertaining to pre-takeover period of TP DISCOMs is to be released directly to GRIDCO Limited against the receivable by GRIDCO from erstwhile DISCOMs/Utilities.
- ii. The outstanding electricity charges including DPS pertaining to post-takeover period against Government Departments as on the 31st January 2023 amounting Rs. 106.54 crore is to be released to TP DISCOMs.
- iii. With regard to the settlement of Government Arrear dues for pre-takeover period no entity will have any fee or incentive in any manner on settlement of this amount.
- iv. DPS is to be charged at the rate equivalent to cost of borrowing of TP DISCOMs i.e @ 8.5% for post-takeover period.
- v. All Government Offices will not be required to make any payment towards Arrear Electricity Dues pertaining to the period up to the 31st January 2023 which would be settled by the Finance Department.
- vi. If any payment has been made towards arrear electricity dues by any Government Office/credit adjustment made by TP DISCOMs regarding bill dispute resolution after the 31st January 2023, it is to be adjusted against current electricity dues for the period beginning from the 1st February 2023.

- vii. The settlement amount credited to the consumer account should be reflected in their next billing cycle and a certificate to this effect duly certified by Statutory Auditor shall be submitted by TP DISCOMs to Government.
- viii. Electricity Charges from the 31st January 2023 have to be paid by the Government Departments/ Offices in time and rebates be availed wherever admissible. Non-payment of electricity dues in time may lead to disconnection of electricity supply by the DISCOMs. Hence, no opportunity should be given to the DISCOMs to take coercive action through disconnection of power supply in case of default in payment of Electricity Dues for the period from the 01st February 2023 onwards which would cause inconvenience to the public.
- ix. The pre-vesting period outstanding arrear as on the 31st January 2023 amounting to Rs.61.92 crore which is payable to GRIDCO shall be debit to Demand No. 05-2052-Secretariate General Service-00-EOM-090-Secretariat-0488-Finance Department-78487-One Time Settlement arrear electricity dues in 2022-23 BE.
- x. The post-vesting period outstanding arrears as on the 31st January 2023 amounting to Rs. 106.54 crore which is payable to TP DISCOMs shall be debit to Demand No. 05-2052-Secretariate General Service-00-EOM-090-Secretariat-0488-Finance Department-78487-One Time Settlement arrear electricity dues in 2022-23 BE.

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