

**Before the Appellate Tribunal for Electricity
(Appellate Jurisdiction)**

Appeal No.122 of 2007

Dated : January 16, 2008

**Present: Hon'ble Mr. Justice Anil Dev Singh, Chairperson
 Hon'ble Mr. H.L. Bajaj, Technical Member**

Jharkhand State Electricity Board
Engineering Bhawan
HEC Durwa
Ranchi, Jharkhand – 834 004

... Appellant (s)

Versus

1. The Secretary
 Jharkhand State Electricity Regulatory Commission
 2nd Floor, Rajendra Jawan Bhawan-Cum-Sainik Bazar
 Main Road, Ranchi – 834 001

2. Shri J.N. Singh
 Deputy General Manager (Elec. Maintenance)
 Town Administration Department
 Steel Authority of India Limited
 Bokaro Steel Plant, Ispat Bhawan
 Bokaro Steel City – 827 001

3. The General Manager
 Power Business Division
 Tata Steel Company Limited
 Northern Town
 Jamshedpur – 831 001

4. The General Manager
 Jamshedpur Utilities & Services Company Ltd.
 Sakchi Boulevard Road
 Northern Tower, Bistupur
 Jamshedpur – 831 001

5. The Secretary
 Damodar Valley Corporation
 DVC Towers, VIP Road
 Kolkata – 700 054

... Respondent (s)

Counsel for the Appellant (s) : Mr. R.R. Dubey for JSEB
Counsel for the Respondent (s) : Mr. M.G. Ramachandran with
Ms. Nandini Gore & Ms. Simran Brar
for Resps. 3 & 4
Mr. Sudarshan Shrivastava with
Mr. A.K. Mehta, (Sectt.-JSERC) for Resp.1
Mr. Rajiv Shankar Dwivedi for Resp.2

ORDER

This appeal is directed against the order of the Jharkhand State Electricity Regulatory Commission, dated July 20, 2007, whereby the methodology on switching of consumers from one distribution licensee to another in the same area has been finalized.

In order to achieve the main purpose of the Act, which is promotion of competition in the electricity sector, the Jharkhand State Electricity Regulatory Commission has granted second distribution license to the fourth respondent in the same area, where the appellant is already supplying electricity. It appears that the appellant has no grievance with the appointment of the second distribution licensee.

The only grievance of the appellant is that in the case of existing consumers, who have disputed the bills, and the matters are pending in a competent forum or court of law, the commission has given an option to the existing consumers and the fourth respondent either to give undertakings for the payment of the amounts in dispute or furnish bank guarantees for the disputed amounts.

The learned counsel for the appellant submits that by directing the consumers and the fourth respondent to furnish undertaking for payment of the disputed amount does not protect the interests of the appellant, and the Jharkhand State Electricity Regulatory Commission ought to have required the existing consumers and the fourth respondent to furnish bank guarantee for securing the payment of the disputed amount without giving them any other option. The order of the Jharkhand State Electricity Regulatory Commission talks of the cases of consumers, who have gone to the courts of law or competent forums for relief in respect of the disputed bills and who would like to switch over to the other distribution licensee for supply of electricity. We would like to point out that it is in the discretion of the Court, where the matter is pending, to pass an order directing a party disputing the electricity bill, to give an undertaking or to furnish a bank guarantee to secure the amount in dispute. Therefore, the appellant cannot insist that the Commission ought to have required such consumers and the fourth respondent to furnish bank guarantees for securing the disputed amount. We do not want to say more than this.

Insofar as the observation of the Commission to the effect that in case, the NOC is not issued by the appellant within 15 days from the date of fulfillment of the conditions prescribed by the Commission, the appellant shall be deemed to have issued the NOC, we are of the view that instead of

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15 days, 30 days should be given to the appellant for issuing the NOC. Therefore, In case, the NOC is not issued by the appellant within 30 days from the date of compliance with the conditions, the NOC shall be deemed to have been granted by the appellant. We order accordingly. The appeal is disposed of.

(H.L. Bajaj)
Technical Member

(Anil Dev Singh)
Chairperson

Date: January 16, 2008