

CHAPTER XVI : MINISTRY OF PERSONNEL, PUBLIC GRIEVANCES AND PENSIONS

Central Bureau of Investigation

16.1 Avoidable payment of demand charges

Failure of CBI New Delhi to accurately assess power consumption requirements and delay in taking action to reduce the contract demand resulted in avoidable payment of ₹ 1.42 crore towards electricity charges.

The Central Bureau of Investigation entered into agreement with M/s BSES Rajdhani Power Ltd. (BSES) in February 2011 for supply of electricity to its Headquarters' building for contract demand of 7,514 KVA. CBI incurred recurring expenditure of ₹ 11.27 lakh¹/₹ 9.39 lakh² per month (fixed charges) at the rate of ₹ 150/ ₹ 125 per KVA per month on the contract demand of 7,514 KVA.

As the contracted demand was based on assessments made at the initial stage of planning of the building and CBI was not using the full sanctioned load mainly due to adoption of energy efficient electrical fixtures, the National Building Construction Corporation Limited (NBCC) re-assessed (November 2011) the electricity requirement and suggested reduction of the electricity load to 4,294 KVA. CBI requested (December 2011) BSES to reduce the contract demand. BSES did not accede (January 2012) to the request on the grounds that the agreement entered into between them stipulate that the terms agreed upon will remain in force for two years from the date of commencement i.e. till 13 February 2013.

Subsequently, it was agreed at a meeting held by CBI with BSES in October 2013 that the contract demand would be reduced from 7,514 KVA to 4,121 KVA. Accordingly, a formal agreement was entered into (February 2014) with the BSES for electricity demand of 4,121 KVA. Consequently, recurring expenditure on fixed charges came down from ₹ 9.39 lakh to ₹ 5.15 lakh per month.

Scrutiny of electricity bills of CBI revealed that even the re-assessed contract demand of 4,121 KVA was much higher than the actual consumption which was in the range of 936 to 2,328 KVA during the period March 2013 to March 2017. Thus, keeping in view a realistic benchmark of consumption of 2,600

¹ Period : 17 February 2011 to 31 August 2011.

² Period : 31 August 2011 to 31 October 2011.

KVA, CBI had paid demand charges (@ ₹ 125 per KVA) towards power not actually consumed resulting in avoidable payment of ₹ 1.42 crore.

Ministry stated (June 2017) that in a meeting held on 20 April 2017 between CBI and BSES for reduction of electricity load, it has been agreed to further reduce electricity load from 4,121 KVA to 2,473 KVA. The contract agreement in this regard is under process.

Thus, inaccurate assessment of power consumption requirements and delayed action for reducing the contract demand resulted in avoidable payment of ₹ 1.42 crore towards electricity charges.