

# PUNJAB STATE ELECTRICITY REGULATORY COMMISSION

## NOTIFICATION

The 8<sup>th</sup> August, 2012

**No. PSERC/Secy/Regu.69** – In exercise of powers conferred by Section 181 of the Electricity Act, 2003 (36 of 2003) and all other powers enabling the Commission in this behalf, the Punjab State Electricity Regulatory Commission hereby makes the following Regulations to further amend the “Punjab State Electricity Regulatory Commission (Conduct of Business) Regulations, 2005” namely ;

**1. Short Title and Commencement:**

- (a) These Regulations shall be called the Punjab State Electricity Regulatory Commission (Conduct of Business) (Second Amendment) Regulations, 2012.
- (b) These Regulations shall come into force on the date of their publication in the official gazette of the State.

**2. In Regulation 13, a new sub-clause (9) shall be added therein:-**

- (9) The objections or comments mentioned in sub-Regulation (6) above need not be supported by an affidavit as is the case of petitions, replies and rejoinders which are required to be supported by an affidavit in the manner and form specified in Regulation 10 of these Regulations.

**3. In Regulation 55, sub-clause (1) shall be substituted by the following:-**

- (1) No tariff determined by the Commission may be amended more frequently than once in any financial year except that tariff rates shall be adjusted in accordance with Fuel Cost Adjustment Formula incorporated in the tariff order or in any other order of the Commission. Till otherwise notified by the Commission Fuel Cost Adjustment Formula shall be as per Appendix – 7.

The Fuel Cost Adjustment shall be carried out by the licensee every quarter. However FCA for the 3<sup>rd</sup> & 4<sup>th</sup> Quarter shall be subject to the approval of the Commission.

**4. In Regulation 64:**

Sub-clause (5) shall be substituted by the following:-

- (5) When the Commission is of the opinion that application for review should be granted, it shall admit the same and direct to issue notice to the concerned party (ies).

New sub-clauses (6) to (9) shall be added therein:-

- (6) The review application / petition filed before the Commission shall be dealt with as expeditiously as possible and endeavour shall be made to dispose of the Review finally within One Hundred twenty days (120 days) from the date of receipt of the Review in the Registry and 90 days from the date of admission of the review, whichever is later. In case of any delay in disposal of Review Petition, the reasons for the same shall be recorded.

- (7) No application for review shall be entertained unless it is supported by an affidavit as per Regulation 10.
- (8) The quorum for the meeting of the Commission to review any previous decision taken by the Commission shall be Chairperson and all Members.
- (9) When an application for review of any judgment or order has been made and disposed of, no further application for review shall be entertained in the same matter.

**5.** In Clause 10 of Appendix-3A (General Conditions of Distribution Licence), sub-clauses 10.1 & 10.2 shall be substituted by the following:-

- 10.1 The Distribution Licensee shall pay to the Commission the Licence Fee(s), initial and annual, mentioned in the Schedule of Fee appended to PSERC (Fee) Regulations, 2005 or as amended by the Commission.
- 10.2 Where the Distribution Licensee fails to pay the Commission any of the fee due under Clause 10.1 by 30<sup>th</sup> September of the year for which it is due:
  - (a) without prejudice to other obligations, the Distribution Licensee shall be liable to pay outstanding fee alongwith a lump sum amount as determined by the Commission and interest on the outstanding fee at a simple interest of 2 percent per month, the interest being payable for the period beginning on the day after which the amount became due, and ending on the day on which the payment is made to the Commission; and
  - (b) in the event of continued default by the Distribution Licensee, the Commission may revoke the Distribution Licence.

**6.** In Clause 9 of Appendix-3B (General Conditions of Transmission Licence) sub-clauses 9.1 & 9.2 shall be substituted by the following:-

- 9.1 The Transmission Licensee shall pay to the Commission the Licence Fee(s), initial and annual, mentioned in the Schedule of Fee appended to PSERC (Fee) Regulations, 2005 or as amended by the Commission.
- 9.2 Where the Transmission Licensee fails to pay the Commission any of the fee due under Clause 9.1 by 30<sup>th</sup> September of the year for which it is due:
  - (a) without prejudice to other obligations, the Transmission Licensee shall be liable to pay outstanding fee alongwith a lumpsum amount as determined by the Commission and interest on the outstanding fee at a simple interest of 2 percent per month, the interest being payable for the period beginning on the day after which the amount became due, and ending on the day on which the payment is made to the Commission; and
  - (b) in the event of continued default by the Transmission Licensee, the Commission may revoke the Transmission Licence.

7. In Clause 8 of Appendix-3C (General Conditions of Trading Licence) sub-clauses 8.1& 8.2 shall be substituted by the following:-

8.1 The Trading Licensee shall pay to the Commission the Licence Fee(s), initial and annual, mentioned in the Schedule of Fee appended to PSERC (Fee) Regulations, 2005 or as amended by the Commission.

8.2 Where the Trading Licensee fails to pay to the Commission any of the fees due under clause 8.1 by 30<sup>th</sup> September of the year for which it is due:

(a) without prejudice to other obligations, the Trading Licensee shall be liable to pay outstanding fee alongwith a lump sum amount as determined by the Commission and interest on the outstanding fee at a simple interest of 2 percent per month, the interest being payable for the period beginning on the day after which the amount became due, and ending on the day on which the payment is made to the Commission; and

(b) in the event of continued default by the Trading Licensee, the Commission may revoke the Trading Licence.

8. In APPENDIX-7, Para 3 shall be substituted by the following:-

The approved formula is subject to the followings:

- i) Commission can review the formula at any stage.
- ii) FCA surcharge shall not be charged, if the energy bill including FCA surcharge remains within MMC.
- iii) The FCA amount shall be calculated on the basis of norms fixed by the Commission for various parameters including total Generation, Power Purchase, SHR, Transit Loss of Coal, Auxiliary consumption at thermal plants and T&D losses.
- iv) The FCA, for the first quarter of a financial year i.e. from April to June & for the 2<sup>nd</sup> quarter i.e. from July to September shall be worked out by the Licensee and levied w.e.f. 1<sup>st</sup> September and 1<sup>st</sup> December of the same year respectively.
- v) The FCA for the 3<sup>rd</sup> quarter of a financial year i.e. from October to December, showing basis of calculations / authenticated data shall be supplied by the Distribution Licensee to the Commission by February end, so that the FCA is approved by the Commission by the end of March of the same year and is charged from April onwards.

Similarly FCA for the 4<sup>th</sup> quarter i.e. from January to March, showing basis of calculations / authenticated data shall be supplied by the Distribution Licensee to the Commission by May end, so that the FCA is approved by the Commission by the end of June and is charged from July onwards.

**By Order of the Commission**

**Secretary  
PSERC, Chandigarh.**