

HIMACHAL PRADESH ELECTRICITY REGULATORY COMMISSION

NOTIFICATION

Shimla – 31st October, 2005

No. HPERC/ 426

The Himachal Pradesh Electricity Regulatory Commission in exercise of the powers vested in it under section 62(2) of the Electricity Act 2003 (36 of 2003) and all other powers enabling it in that behalf, hereby makes the following regulations namely:-

REGULATIONS

1. Short title, extent and commencement.-

- (1) These regulations may be called the Himachal Pradesh Electricity Regulatory Commission (Guidelines and Formats for Tariff Filing) Regulations, 2005.
- (2) These regulations extend to the whole of the State of Himachal Pradesh.
- (3) These regulations shall come into force from the date of their publication in the Rajpatra, Himachal Pradesh.

2. Application of the regulations.

These Regulations shall apply to all intra-state transmission licensees, distribution licensees and the trading licensees in the State and also to all the generating companies for supply of power to the distribution licensee within the State except for such of the projects where the tariff has been determined between the distribution licensee, the Government and the generating company and based upon such agreement the power purchase agreement has been approved by the Commission.

3. Definitions

- (1) In these regulations, unless the context otherwise requires:
 - (a) “Act” means the Electricity Act, 2003 (36 of 2003);
 - (b) “annexure” means the annexure to these regulations;
 - (c) “annual capacity index” means the average of the daily capacity indices over a full year;
 - (d) “annual capacity utilisation” means the actual energy generated in a year divided by the maximum energy it is capable of generating in a year;
 - (e) “Capacity Index (CI)” means declared capacity (MW) x 100/ maximum available capacity (MW);

- (f) “commercial operation” means when control of the loading of the generator is turned over to the system dispatcher;
- (g) “Commission” means the Himachal Pradesh Electricity Regulatory Commission;
- (h) “declared capacity” means the capacity to be available from the plant over the peaking hours of the next day, as declared by the generator.

Explanation .-

For this purpose the peaking hours shall be not less than 3 hours within a 24 hour period;

- (i) “design energy” means the quantum of energy, which could be generated in a 90 percent dependable year with 95 percent availability of installed capacity of the station on annual basis;
- (j) “Government” means Government of Himachal Pradesh;
- (k) “licence” means a licence granted under Section 14 of the Act to undertake intra-state transmission or distribution of electricity;
- (l) “licensed business” means the functions and activities, which the licensee is required to undertake in terms of the licence granted or being a deemed licensee under the Act;
- (m) “licensee” means a person who has been granted a licence and includes deemed licensee in the State of Himachal Pradesh;
- (n) “maximum available capacity” means maximum capacity the plant could generate with all units running, under the prevailing conditions of water levels, flows and with 100% gate openings;
- (o) “normative value” means a value above which a hydro station would gain incentives.

Explanation.-

For this purpose the normative value shall be 85% or as may be determined by the Commission from time to time;

- (p) “primary energy” means the quantum of energy generated up to the design energy on per year basis at the generating station;
- (q) “primary energy charge” means 90% of the lowest variable charge of the thermal power station in the concerned region and the balance of total charges would be recovered as capacity charges;

(r) “secondary energy” means the quantum of energy generated in excess of the design energy on per year basis at the generating station;

(s) "tariff” means a schedule of standard prices or charges (termed 'rates'), together with terms and conditions for the application of the tariff to a supply of electricity or electricity related service;

(2) Words and expressions used and not defined in these regulations but defined in the Act shall have the meanings as assigned to them in the Act.

4. Application for determination of Tariff

(1) Every year, by November 30th, every generating company and licensee shall file with the Commission, a tariff application with statements containing the Expected Revenues from the Tariff and Charges including Miscellaneous charges of the ensuing financial year, under its currently approved tariff and charges including miscellaneous charges along with detailed explanations for assumptions made.

(2) The trading licensee shall file the application if required to do so, by a written order of the Commission.

(3) The information to be filed by the generating companies and licensees are as follows:

(a) Formats for generating company provided in Annexure 1;

(b) Formats for transmission licensee provided in Annexure 2;

(c) Formats for distribution licensee provided in Annexure 3;

(d) Formats for trading licensee provided in Annexure 4 ;

(e) Formats as per regulation 35 of the HPERC (Terms and Conditions for Determination of Tariff) Regulations, 2004 provided in Annexure 5:

Provided that non-compliance of this provision shall be treated as contravention of the regulations and the Commission may initiate proceedings to direct action as provided under section 142 of the Act.

(4) The generating companies and the licensees shall submit a statement on compliance of directives issued by the Commission in its last tariff order along with formats as stated in sub-regulation(3).

(5) In addition to the information to be submitted as per the formats in sub-regulation (3), the licensee should also submit the following as applicable:-

- Copies of reports submitted by the consultants on various engagements;
- Minutes of meetings and action taken reports on public interaction and hearing; processes conducted
- Audit reports of the Comptroller and Auditor General of India;
- Progress regarding unmanning of sub-station;

- Initiatives undertaken under Power Sectors Reforms;
 - Business Plans which should include the capital investment plan;
 - Performance vis-à-vis conditions of distribution, transmission and trading licence;
 - E-governance initiatives undertaken; if any.
- (6) The licensee should furnish information regarding installation of High Voltage Distribution System (HVDS) and improvement in the High Tension/Low Tension (HT/LT) ratio;
 - (7) The licensee should furnish information of Open Access Consumers such as existing consumers, pending applications, contracted capacity, point of injection and point of withdrawal.
 - (8) The distribution or trading licensee shall also furnish additional information as specified in Annexures 6&7.
 - (9) A petition for determination of tariff shall be accompanied by information for the previous year, current year and the ensuing year in forms specified by the Commission. The information for the previous year should be based on audited accounts and in case audited accounts for previous year are not available, audited accounts for the immediately preceding previous year should be filed along with un-audited accounts for the previous year.
 - (10) Every new licensee shall file an application with the Commission, immediately on grant of licence, a tariff application along with details as stated in sub-regulation (3). A generating company shall file a tariff application with the Commission for the new generating station at least two months ahead of commencement of commercial operations of the unit.
 - (11) The filed application along with the duly filled up formats and explanations will be treated as a petition and it shall be filed as per the procedure provided in 'HPERC (Conduct of Business) Regulations, 2005' and complete in all respects.
 - (12) Every application for determination of tariff or for continuation of previously determined tariff shall be accompanied with a tariff application fee based on the previous year's actuals as specified 'HPERC (Conduct of Business) Regulations, 2005'.
 - (13) All filings should be in conformity with the stipulations in the licensing regulations and the conditions of the license. Separate copies of the filing shall be sent to all the generating companies, the licensees and the Government.
 - (14) The transmission and distribution licensees shall include a detailed statement of voltage-wise aggregate technical and commercial losses (AT&C). The voltage-wise losses shall be distributed according to the energy drawn at that voltage level. The licensees must provide plans for reducing the losses, together with the details of the investment required to achieve the planned reductions. All such plans are required to be submitted year wise, commencing with the ensuing financial year and covering at least the four subsequent years indicating the sources of fund required to execute these plans.

- (15) If there is a revenue gap between the Expected Revenues from the currently applicable Tariff and Charges including Miscellaneous charges and the revenue requirement for the ensuing financial year, the generating company and licensee shall include a proposal/plan as to how it proposes to bridge this revenue gap.
- (16) In addition to the hard copies, the information shall necessarily be submitted in electronic form.
- (17) The generating companies and licensees are required to constitute and intimate the particulars to the Commission regarding the working group responsible for providing the desired information and communication with the Commission for necessary clarification etc., if any.
- (18) Commission may seek clarification and additional information on inadequacies in the application, if any, and the generating company and licensee shall provide the clarifications within the date stipulated by the Commission.
- (19) Any delay/ non-submission of the tariff application / information may attract penalty / fines in accordance with the appropriate provisions of the Electricity Act, 2003 (36 of 2003) besides postponing the effective date of admission of the application for the purpose of sub-section (3) of section 64 of the Act.

Explanation.-

In relation to the filing of application for determination of tariff by the existing Board, the revenue and expenditure relating to subsidiaries of the Board, Projects Investigation and Planning, Civil Design, Larji Project and all other civil wings, Larji Electrical Design, Power House Design, Electrical Directorates not forming part of generation, transmission and distribution, State Load Dispatch Centre and other business shall not be taken into consideration.

5. Use of the Information.-

The Commission shall have the right to use the information submitted by the generators or the licensees, its successor entities and other electricity utilities as it deems fit including publishing it or placing it on the Commission's website and/ or directing the generator or the licensee to display the information on the generator or the licensee's website.

6. Multi Year Tariff Principles and Guidelines.-

- (1) The Commission may adopt multi year tariff principles for all matters relating to tariff determination including expected revenue from tariff and charges including Miscellaneous charges, allowable cost for prescribed operational efficiency levels, the revision in tariff and charges, changes in tariff structure and such other matters as may be considered necessary.
- (2) The Commission may, from time to time, issue guidelines for filing statement of revenue calculations and tariff applications for multi-year and unless waived by the Commission, the licensee shall follow such guidelines issued by the Commission.

7. Repeal and Savings.-

- (1) The Guidelines for revenue and tariff filing issued by the Himachal Pradesh the Electricity Regulatory Commission under section 29(4) of the Electricity Regulatory Commission Act, 1998, on 23.02.2001 are hereby repealed.
- (2) Nothing in these regulations shall be deemed to limit or otherwise affect the inherent power of the Commission to make such orders as may be necessary to meet the ends of justice or to prevent abuses of the process of the Commission.
- (3) Nothing in these regulations shall bar the Commission from adopting in conformity with the provisions of the Electricity Act 2003 (36 of 2003) a procedure, which is at variance with any of the provisions of these regulations, if the Commission, in view of the special circumstances of a matter or class of matters and for reasons to be recorded in writing, deems it necessary or expedient for dealing with such a matter or class of matters.
- (4) Nothing in these regulations shall, expressly or impliedly, bar the Commission dealing with any matter or exercising any power under the Electricity Act 2003 (36 of 2003) for which no regulations have been framed, and the Commission may deal with such matters, powers and functions in a manner it thinks fit.

8. Issue of orders and practice directions

Subject to the provisions of the Electricity Act, 2003 (36 of 2003) and these regulations, the Commission may, from time to time, issue orders and practice directions in regard to the implementation of these regulations and procedure to be followed on various matters, which the Commission has been empowered by these regulations to direct, and matters incidental or ancillary thereto.

9. Power to remove difficulties

If any difficulty arises in giving effect to any of the provisions of these regulations, the Commission may either suo motu or on an application made to it, by general or special order, do or undertake or direct the Licensee to do or undertake things, which in the opinion of the Commission is necessary or expedient for removing the difficulties.

10. Power to amend

The Commission may, at any time add, vary, alter, modify or amend any provisions of these regulations.

(By the order of the Commission)

Sd/-
Secretary
Himachal Pradesh Electricity Regulatory Commission

ANNEXURES

1. Annexure 1 Hydel- Stations [annexure 1 - Hydel Stations.xls](#)
2. Annexure2 Tariff formats Transmission [annexure 2 - Tariff Formats Transmission.xls](#)
3. Annexure 3 Tariff formats Distribution [annexure 3 - Tariff Formats Distribution.xls](#)
4. Annexure 4 Tariff formats Trading [annexure 4 - Tariff Formats Trading.xls](#)
5. Annexure 5 [annexure 5.doc](#)
6. Annexure 6 [annexure 6.doc](#)
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