

**THE HIMACHAL PRADESH ELECTRICITY REGULATORY COMMISSION
SHIMLA**

EXPLANATORY MEMORANDUM

Memorandum explaining the reasons and circumstances leading to the HPERC (Terms and Conditions for Determination of Wheeling Tariff and Retail Supply Tariff) (Fourth Amendment) Regulations, 2020.

Presently, IT equipment and software have not been exclusively mentioned in the Depreciation schedule of HPERC (Terms and Conditions for Determination of Wheeling Tariff and Retail Supply Tariff) Regulations, 2011. Therefore, it has become imperative to include the same so as to avoid any ambiguity in applying the depreciation rates in respect of IT equipment and software. Also, regulation 22 has been proposed to be amended to have more clarity.

The proposed amendments are primarily designed to meet the aforesaid objectives.

By the order of the Commission

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Secretary