

Bhopal, Dated: 11th May, 2007

No. 821/MPERC/2007. In exercise of the powers conferred by Section 181 (1) read with Section 65 of the Electricity Act, 2003 enacted by the Parliament, the Madhya Pradesh Electricity Regulatory Commission makes the following Regulations specifying the manner of payment of subsidy by the State Government.

MADHYA PRADESH ELECTRICITY REGULATORY COMMISSION (Manner of payment of subsidy by the State Government)REGULATION, 2007

(G-32 of 2007).

1. Short Title and Commencement:- (1) This Regulation shall be called the “Madhya Pradesh Electricity Regulatory Commission (Manner of payment of subsidy by State Government) Regulation, 2007 (G-32 of 2007).

(2) This Regulation shall come into force from the date of their publication in the Official Gazette of the Government of Madhya Pradesh.

(3) This Regulation shall apply to subsidy, if any, payable under Section 65 of the Act by the State Government of Madhya Pradesh.

2. Definition:- (1) “Act” means the Electricity Act, 2003(36 of 2003) and subsequent amendment thereof.

(2) “Beneficiary” means any consumer or class of consumers who is granted subsidy by the State Government under Section 65 of the Act.

(3) “Commission” means the Madhya Pradesh Electricity Regulatory Commission.

(4) “Person” shall include any company or body corporate or association or body of individuals, whether incorporated or not, or artificial juridical person including Distribution Licensee.

(5) Unless the context otherwise requires, the words and expressions in this Regulation, shall bear the same meaning as defined in the Electricity Act, 2003 (36 of 2003), the Madhya Pradesh Vidyut Sudhar Adhinyam, 2000 (No. 4 of 2001), and the Madhya Pradesh Electricity Regulatory Commission (Conduct of Business) Regulations, 2004.

3. Purpose of this Regulation: The purpose of this Regulation is to define subsidy, the method of its computation, the manner in which it shall be paid by the State Government, the person eligible to receive subsidy, and consequences of delays/ non receipt of subsidy by the concerned person.

4. Subsidy and method of its computation:- (1) Any direct financial grant by the State Government of Madhya Pradesh to compensate any person affected by waiver or exemption or reduction directed by State Government in tariffs as determined by the Commission under Section 62 constitutes subsidy.

(2) The State Government if it desires to grant any subsidy, shall inform the Commission and the Distribution Licensees of its decision along with details specified in clause 1.12 of this Regulation.

(3) The communication from the State Government to the Commission conveying its decision shall clearly identify the characteristics of beneficiary, the quantum of consumption proposed to be subsidised and the per unit subsidy to be provided. On receipt of the communication, the Distribution Licensees shall estimate the total financial support necessary for the year for implementing the decision of the State Government and intimate the same to the Commission and the State Government.

5. Manner of payment of Subsidy by the State Government: - (1)The Licensee shall implement the decision of the State Government in regard to providing subsidy to consumer or class of consumers.

(2) The quantum of subsidy shall be payable by the State Government in advance every quarter to the person affected by the grant of subsidy. The Licensee shall furnish to the Commission a statement on quarterly basis regarding quantum of subsidy claimed and subsidy released by the State Government by the end of each quarter.

(3) The Distribution Licensee/person affected by the grant of subsidy shall provide quarterly information to the Commission and the State Government of the quantum of sales to the consumer or class of consumers for whom the subsidy is being provided and the amount of subsidy received in advance from the State Government.

(4) The State Government shall provide the subsidy to the affected person in cash in advance of the quarter for which the subsidy is granted. If the State Government desires to provide the subsidy to the affected person/Licensee through adjustment of any dues or amounts payable by the State Government, the Commission shall consider such request and in doing so shall keep in mind the receivables of the Licensee from Departments of the State Government.

6. Consequences of non-payment, partial payment or excess payment of subsidy :- (1) The adjustment in tariff by way of subsidy shall be in proportion to the extent to which the total requirement of the person is received from the State Government.

Provided that in case subsidy is not received as per estimate from the State Government before the issuance of the bill, the affected person shall raise bills at tariffs as determined by the Commission.

- (2) The affected person, while raising the bill on the consumer/class of consumers shall clearly indicate in each bill (a) the amount payable as per the tariff determined by the Commission; (b) the amount of subsidy paid by the State Government and (c) the net amount payable by the beneficiary for the billing period.
- (3) In case the subsidy is paid in excess of the requirement/estimate, the excess amount shall be adjusted in the next quarter.

7. Power to Amend :- The Commission may, at any time add, vary, alter, modify or amend any provisions of these Regulations.

8. Savings:- (1) 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.

- (2) 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.
- (3) 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.

By the order of the Commission

Commission Secretary