

Bhopal: Dated 21th September, 2004

No.2556/MPERC/2004. In exercise of the powers conferred by section 181 (g) read with section 32(3) of the Electricity Act, 2003 enacted by the parliament, the Madhya Pradesh Electricity Regulatory Commission makes the following Regulations for determination of Levy and Collection of Fee and Charges by State Load Despatch Centre, namely.

**MPERC (Levy and Collection of Fee and Charges by State Load Despatch Centre)
Regulation, 2004.**

1. Short Title and Commencement

- 1.1. These Regulations shall be called the Madhya Pradesh Electricity Regulatory Commission (Levy and Collection of Fee and charges by State Load Despatch Centre) Regulations, 2004.
- 1.2. These Regulations shall come into force from the date of their publication in the Official Gazette of the Government of Madhya Pradesh.
- 1.3. These Regulations shall apply to the licensees engaged in intra-State transmission of electricity and generating companies that are connected to the State Grid and monitored/ serviced by SLDC in the State of Madhya Pradesh. The phrase “licensees engaged in intra-state transmission of electricity” includes all transmission, distribution and trading licensees.
- 1.4. They shall come into effect from the date, the Government of Madhya Pradesh, establishes the State Load Despatch Centre under Sec. 31(1) of the Electricity Act, 2003 (Vide notification number 2489/13/04 dated 17/05/2004 the State Government has established the SLDC at Jabalpur which is being operated by STU.)

2. Definition

- 2.1. “Billing month “ means the calendar month ending with the last day of the month.
- 2.2. “Commission” means the Madhya Pradesh Electricity Regulatory Commission.
- 2.3. “SLDC” means the State Load Despatch Centre.
- 2.4. Unless the context otherwise requires, the words and expressions in these Regulations, 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. Levy and Collection of Fee and SLDC Charges

- 3.1. From the date the SLDC is established Government of Madhya Pradesh under section 31 of the Electricity Act 2003, it shall maintain its financial account separately and account its all expences incurred seperately. If STU is operating the SLDC, the account related with the STU shall be maintained separately by STU
- 3.2. The Generating Companies and Licensees engaged in intra-state Transmission of electricity in Madhya Pradesh intending to get connected to the State Grid shall submit an application to the SLDC in the specified format (enclosed as Annexure 1) at least one month before the proposed date of connection to the State Grid, along with Fee of Rs.1,00,000 (Rupees one lakh only). The existing Generating Companies and Licensees engaged in intra state transmission of electricity connected to the State Grid shall register themselves with SLDC by filing an application along with the above-mentioned fees within a month of coming into force of these regulations.

- 3.3. The SLDC, after scrutinising the application and after being satisfied of the completeness and correctness of the information furnished in the application, shall register the application in SLDC records duly intimating the applicant regarding the acceptance and file a copy with the Commission. SLDC shall file information about the Generating Companies and Licensees engaged in the intra state transmission of electricity connected to the State Grid and being monitored/ serviced by them to the Commission every year by November 15th.
- 3.4. The SLDC charges to be recovered from the Generating Companies and Licensees engaged in intra state transmission of electricity shall be determined taking into account the following expenses:
- a. Employee Cost
 - b. Administration and general Charges
 - c. Repairs and Maintenance Expenses
 - d. Depreciation
 - e. Interest and finance charges
 - f. Interest on working capital, if any
 - g. Return on equity/Investments
 - h. Any other expenses incidental to discharging the functions of SLDC.

4. Basis for collection of SLDC charges:

- 4.1. The annual SLDC charges shall be arrived at as detailed out in Annexure-2 and shall first be divided into two equal parts – one to be recovered from the generating companies and the other from the licensees engaged in intra-state transmission of electricity within the State. Thereafter, the allocation of charges to the individual Generating Companies shall be on the basis of installed generation capacity. The allocation of charges to individual licensees engaged in intra-state transmission of electricity within the State shall be on the basis of the volume of energy wheeled through the transmission network.

5. Application for determination of fees and charges

- 5.1. Each year, by September 15th, the SLDC shall file with the Commission, an application / petition with statements containing the Expected Revenues from the Fee and Charges of the ensuing financial year, under its currently approved Fee and Charges alongwith the proposal, if any, for determination of fees and charges for the ensuing year. The information to be filed by the SLDC is provided in Annexure 2 along with detailed explanation for assumptions made and status of compliance of the directions issued in the previous order of the Commission.
- 5.2. The petition shall be filed as per the procedure provided in 'MPPERC (Conduct of Business) Regulations' and complete in all respects.
- 5.3. The application for 'Fees and Charges' recoverable by the SLDC shall be accompanied with an application fee of Rs.1,00,000 (Rupees one lakh only).

- 5.4. The SLDC must prepare an investment plan for a five-year period commencing with the ensuing financial year and must include the sources of funds for investment. The investment plan must be updated every year and filed with the Commission along with the application for fees and charges.
- 5.5. If there is a revenue gap between the Expected Revenues from the currently applicable Fee and Charges and the revenue requirement for the ensuing financial year, the SLDC shall include a proposal as to how it proposes to bridge this revenue gap.
- 5.6. In addition to the hard copies, the information shall necessarily be submitted in such electronic form, as the Commission may require.
- 5.7. The SLDC is required to constitute a working group responsible for providing the desired information to the Commission and should intimate the particulars to the Commission.
- 5.8. Commission may seek clarification and additional information on inadequacies in the application, if any, and the SLDC shall provide the clarifications within the date stipulated by the Commission.
- 5.9. Any delay/ non-submission of the tariff application / information (as stated in clauses 5.1 and 5.5) may attract penalty / fines in accordance with the appropriate provisions of the Electricity Act, 2003 (36 of 2003).

6. Information to Generation companies and Licensees engaged in intra state transmission of electricity

- 6.1. After the Commission is provided with the clarifications, the SLDC shall provide copies of the complete application and further clarifications, if any, to the generating companies and the licensees engaged in intra state transmission of electricity.
- 6.2. The application for determination of 'fees and charges' should be posted at the SLDC's website in downloadable format for easy accessibility by all stakeholders.

7. Hearing

- 7.1. Unless otherwise for special reasons directed by the Commission, the Commission shall hold a proceeding on the revenue calculations and fee and charges proposals given by the SLDC and may hear the generating companies and the licensees engaged in intra-state transmission of electricity within the State or such persons as the Commission may consider appropriate for making a decision on such revenue calculations and fee and charges proposals.

8. Order of the Commission

- 8.1. Within sixty days of the date of receipt of the application (as stated in clause 5.1), and after considering all suggestions and objections received from the Generating Companies and Licensees engaged in intra state transmission of electricity, the Commission shall:
 - a. issue an order accepting the application with such modifications or such conditions as may be specified in that order; or
 - b. reject the application for reasons to be recorded in writing if such application is not in accordance with the provisions of the Electricity Act 2003 (36 of 2003) and the rules and regulations made thereunder or the provisions of any other law for the time being in force.

Provided that an applicant shall be given a reasonable opportunity of being heard before rejecting his application.

8.2. Commission shall determine fee and charges in accordance with the provisions and objectives of the Electricity Act 2003 (36 of 2003), Madhya Pradesh Vidyut Sudhar Adhiniyam 2000, (No 4 of 2001), MPERC Conduct of Business Regulations and any other prevalent policies or regulations as the case may be.

8.3. The Commission may determine provisional 'fees and charges' for SLDC in case the Commission finds it necessary to do so.

9. Applicability of the order

9.1. The SLDC fee and charges determined by the Commission shall take effect only after seven days from the date of the Commission's order and bills shall be issued accordingly.

9.2. The SLDC fee and charges so determined by the Commission shall be valid for the period mentioned in the Commission's order.

10. Review of Order

10.1. All applications for the review of fee and charges shall be in the form of petition accompanied by the prescribed fee. A petition for review of fee and charges can be admitted by the Commission under the following conditions:

- a. The review petition is filed within sixty days from the date of the order, and
- b. It is proved that an error apparent from the records is there.

10.2. The Commission on its own, being satisfied that there is a need to review the fee and charges of the SLDC, shall initiate the process of review of the fees and charges of the SLDC in accordance with the procedures set out in MPERC (Conduct of Business) Regulations.

11. Use of the Information

11.1. The Commission shall have the right to use the information submitted by the SLDC as it deems fit including publishing it or placing it on the Commission's website and/ or directing the SLDC to display the information on the SLDC's website.

12. Levy and Collection of SLDC Charges

12.1. The Generating Companies and the Licensees engaged in intra-state transmission of electricity within the State shall pay to the SLDC the annual charges in two half yearly instalments in advance.

12.2. If the payment is not made within the due date, a penal interest at the rate of two percent per month shall be payable on the unpaid amounts.

12.3. Disputes arising out of delay/ non-payment of SLDC charges shall be, as far as possible, settled by mutual negotiations. If the disputes are not resolved through mutual negotiations within ninety days, the matter shall be referred to the Commission through a petition by either of the parties. The decision of the Commission shall be binding on both the parties.

13. Power to Amend

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

14. Savings

14.1. 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.

14.2. 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.

14.3. 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

Ashok Sharma, Dy. Secy.,k