

PEAK INSIGHT**Notified Regulations Summary, July 2024**

This monthly round-up collates the final regulations notified by the Central Electricity Regulatory Commission and State Electricity Regulatory Commissions in July 2024. Below is the list of notified regulations

- [Central Electricity Regulatory Commission \(Fees and Charges of Regional Load Despatch Centre and other related matters\) Regulations, 2024](#)
- [Central Electricity Regulatory Commission \(Connectivity and General Network Access to the inter-State Transmission System\) \(Second Amendment\) Regulations, 2024](#)
- [Arunachal Pradesh: Procedure, Terms and Conditions for Grant of Distribution Licence and other Related Matters Regulations, 2024*](#)
- [Arunachal Pradesh State Electricity Regulatory Commission \(Demand Side Management\) Regulations, 2024*](#)
- [Joint Electricity Regulatory Commission for Manipur & Mizoram \(Electricity Supply Code\) \(Eighteenth Amendment\) Regulation, 2013*](#)
- [Madhya Pradesh Electricity Regulatory Commission \(Terms and Conditions for determination of Generation Tariff\) Regulations, 2024*](#)
- [Maharashtra Electricity Regulatory Commission \(Framework for Resource Adequacy\) Regulations, 2024*](#)
- [Maharashtra Electricity Regulatory Commission \(Forecasting, Scheduling and Deviation Settlement for Solar and Wind Generation\) \(First Amendment\) Regulations, 2024*](#)

Note: * represents links to the respective commissions' notified pages, please contact us for the notified regulations document

CERC Regulations

Central Electricity Regulatory Commission (Fees and Charges of Regional Load Despatch Centre and other related matters) Regulations, 2024

According to the notification, the following entities must register with the concerned Regional Load Despatch Centre (RLDC) responsible for scheduling, metering, energy accounting, and switching operations at least 30 days before their intended date of commencing grid access:

- All generating stations, including captive generating plants and standalone storage systems
- Distribution licensees
- Bulk consumers, buyers and sellers
- Renewable power park developers
- Inter-state transmission licensees
- Any other regional entity intending to avail grid access

Additionally, the RLDCs will issue monthly bills for load despatch centre charges to the users, who must make direct payments to the respective RLDCs through the payment gateway.

Registration Fees

DISCOMs, bulk consumers, and inter-state transmission licensees must pay a one-time registration fee of ₹1.5 million upon applying for grid access.

Generating companies:

- Up to 10 MW installed capacity: ₹75,000
- More than 10 MW and up to 100 MW: ₹150,000
- More than 100 MW and up to 500 MW: ₹750,000
- More than 500 MW and up to 1000 MW: ₹1 million
- More than 1000 MW: ₹1.5 million

Interstate trading licensees, renewable power park developers, qualified coordinating agencies, SNA, sellers, and buyers must pay a one-time registration fee of ₹15,000 along with the scheduling application. Power exchanges must pay a one-time registration fee of ₹3 million to NLDC.

Performance-Linked Incentive

Each RLDC and NLDC can recoup an incentive equivalent to 12% of their Annual LDC Charges if they achieve a performance level of 90% against the Key Performance Indicators for the previous year ending on March 31. This incentive will increase proportionally by 1% of annual LDC charges for every 5% improvement in performance above 90%. Conversely, the incentive will decrease by 1% for every 3% drop in performance below 90%, also proportionally.

Central Electricity Regulatory Commission (Connectivity and General Network Access to the inter-State Transmission System) (Second Amendment) Regulations, 2024

The changes are intended to simplify the process and promote the adoption of renewable energy. The amended regulations create a new classification for organizations that are permitted to purchase renewable energy for their own use or for resale. The regulations also state that minor flaws in applications will be communicated within 10 business days, enabling faster fixes. Furthermore, a new minimum capacity requirement of 25 MW has been established for applicants in the North Eastern Region and Sikkim.

A new clause, defines the "Renewable Energy Implementing Agency" (REIA) as follows:

- It encompasses entities appointed by either the Central or State Government to serve as Intermediary Procurers. Their role is to select and purchase electricity from renewable energy generating stations, which they will then sell to one or more distribution licensees or other entities.
- The Central or State Government itself may also procure power from renewable energy generating stations (REGS) for its own use.
- The procurement processes outlined in the first two points must adhere to guidelines issued periodically by the Central Government under Section 63 of the relevant Act.

Additionally, the term "any other entity" in the first point includes the Central or State Government and its departments when they seek renewable energy for their consumption. This amendment aims to streamline the procurement and implementation of renewable energy initiatives in compliance with existing regulations.

Applications for the grant of connectivity or grant of GNA

To apply for connectivity with the Central Transmission Utility (CTU), you need to submit your application online along with a fee of ₹500,000. Once CTU receives your application, they will review it and inform you of any issues within a week. If there are problems, you have one week to fix them; otherwise, your application will be closed, and you will lose 20% of the fee, with the rest refunded within 15 days.

The CTU will notify you about the preliminary approval for connectivity within 60 days after the end of the month in which your application was submitted. This notification will include important details like the terminal bay. If the CTU determines that an Additional Transmission System (ATS) is necessary after conducting an interconnection study, they will inform you of the preliminary approval within 90 days from the end of the month your application was received.

SERC Regulations

Arunachal Pradesh: Procedure, Terms and Conditions for Grant of Distribution Licence and other Related Matters Regulations, 2024

(These regulations shall come into effect from July 3rd, 2024.)

Grant of distribution license

Any applicant for the license shall fulfil the capacity adequacy, credit worthiness and any other conditions laid out by Ministry of Power (MoP) to be eligible.

The applicant should be able to make up 30% of the investment cost as equity available on the basis of net worth and generation of internal resources of his business including of promoters in the preceding three years after excluding his other committed investments.

The applicant shall, within seven days from date of admission of the application, publish a notice of his application by public advertisement in one English and one local daily newspaper having wide circulation in the area of distribution.

After inquiry and the hearing of the application, the Commission may decide to grant or refuse the licence. However, that the Commission shall in no event reject an application without giving the Applicant an opportunity of being heard, either by requiring the Applicant to file responses in writing or by conducting an oral hearing.

The Distribution Licence shall be valid for a period of twenty-five years from the date of its commencement, unless it is duly suspended or revoked earlier by the Commission. The applicant shall apply to extend this period with an application submitted two years before the expiry of the validity.

General conditions of the distribution licence

The license shall perform following under the following conditions as per procedures laid by the state commissions' regulations:

- Duty to supply electricity on request.
- Installation of meters.
- Process for levy and recovery of fines and charges.
- Establishment of Consumer Grievance Redressal forum.
- Protection of Railways, Highways, etc.
- Providing non-discriminatory open access.
- Co-operation with State Transmission Utility, State Load Dispatch Centre and other Licensees.
- No abuse of its dominant position causing an adverse impact on the competition in the distribution of electricity.
- Timely filling of revenue and tariff filings.
- Prepare a plan for procurement of power to serve the demand for electricity in its Area of Supply and submit such plan to the Commission for approval as a part of Business Plan.

Arunachal Pradesh State Electricity Regulatory Commission (Demand Side Management) Regulations, 2024

Demand Side Management (DSM) is described as the planning, implementation and monitoring of utility's activities designed to encourage customers to amend their electricity consumption patterns, with respect to both timing and level of electricity demand so as to help the customers to use electricity more efficiently.

DSM Objectives

The Distribution Licensee to undertake DSM related measures with an objective to lower the overall cost of electricity to the consumers as well as the Distribution Licensee through the following:

- Control, reduce and influence electricity demand.
- Encourage consumers to amend their electricity consumption pattern (timing and magnitude).
- Complement supply side strategies to help the utilities to avoid or reduce or postpone costly capacity additions and power purchases.
- Reduce the environmental damage by reducing the emission of greenhouse gases.
- Implementation of various DSM programmes set out by the Bureau of Energy Efficiency (BEE)
- Make strategic efforts to induce lasting structural or behavioural changes in the market encouraging energy efficiency practices.
- Protect the interest of the consumers by overall reduction in tariffs.
- While formulating the DSM objective the commission to consider aligning the state objectives with the national objectives.
- Setting up a DSM cell for formulation of DSM plan by every distribution licensee.

DSM Targets

The Commission shall approve the DSM targets for each Distribution Licensee in the State on proposal submitted by the licensee with due considerations to factors such as consumer mix, load profiles, technical potential of the state and others.

DSM targets may include the following:

- Percentage reductions in load growth.
- Savings in kW, kWh.
- Savings as a percent of total resources to meet load.

Joint Electricity Regulatory Commission for Manipur & Mizoram (Electricity Supply Code) (Eighteenth Amendments) Regulation, 2013

(The amendment came into effect on July 8, 2024)

In clause 4.29 of the principal regulations' the inspection date scheduling for new electricity connections was amended as per the following:

- For Class-I cities/urban areas: Changes from 5 to 2 working days of the application.
- For rural areas: Changes from 10 to 5 working days of the application.
- Inclusion of remote areas: within 10 working days.

In clause 4.33 of the principal regulations about the removal of defects by the applicant as per the inspection for new electricity connections within 10 working days across geographies is amended as per the following:

- For class-I cities and urban areas: within 2 working days.
- For rural areas: within 3 working days.

- For remote areas: within 5 working days.

In clause 4.34 of the principal regulations' the re-inspection date scheduling for new electricity connections was amended as per the following:

- For Class-I cities/urban: Changes from 5 to 2 working days of the application.
- For rural areas: Changes from 10 to 5 working days of the application.
- Inclusion of remote areas: within 10 working days.

In clause 4.35 of the principal regulations' the re-inspection date scheduling for new electricity connections following the grievance filing to the concerned Internal Grievance Redressal Cell (IGRC) for redressal is amended as per the following:

- For Class-I cities/urban: Changes from 5 days to 2 working days of the application.
- For rural areas: Changes from 10 to 5 working days of the application.
- Inclusion of remote areas: within 10 working days.

In clause 4.36 of the principal regulations' the timeline issued for demand note is amended as per the following:

From

Particulars	Class I cities	Urban Areas	Rural Areas
Extension of distribution mains not required	Within 7 working days	Within 7 working days	Within 10 working days
Extension of distribution mains/system required			
LT service connection	Within 7 working days	Within 7 working days	Within 10 working days
HT service connection	Within 15 working days	Within 15 working days	Within 20 working days
EHT service connection	Within 30 working days	Within 30 working days	Within 30 working days

To

Particulars	Class I cities	Urban Areas	Rural Areas	Remote Areas
Extension of distribution mains not required	Within 4 working days	Within 4 working days	Within 7 working days	Within 15 working days
Extension of distribution mains/system required				
LT service connection	Within 4 working days	Within 4 working days	Within 7 working days	Within 15 working days
HT service connection	Within 15 working days	Within 15 working days	Within 15 working days	Within 20 working days
EHT service connection	Within 20 working days	Within 20 working days	Within 20 working days	Within 30 working days

Note: Remote areas have been defined as the areas in the hilly terrain approachable on foot or by fair weather jeepable road only.

Clause 4.38 of the principal regulations on the payment schedule provided to the applicant for the connection has been amended from:

- Within 15 working days across geographies with a 15 working day window to seek extension application to

Particulars	Class I cities	Urban Areas	Rural Areas	Remote Areas
Extension of distribution mains not required	Within 2 working days	Within 2 working days	Within 3 working days	Within 7 working days
Extension of distribution mains/system required				
LT service connection	Within 7 working days	Within 7 working days	Within 10 working days	Within 15 working days
HT service connection	Within 15 working days	Within 15 working days	Within 15 working days	Within 20 working days
EHT service connection	Within 30 working days	Within 30 working days	Within 30 working days	Within 30 working days

Extension for the payment can be request within 10 working days window

Clause 4.41 of the principal regulation about the overall period for procuring a new electricity connection from the day of application has been amended from

Activity	Class I cities	Urban Areas	Rural Areas
New connection/ additional load where supply can be provided from existing network	30 days	30 days	30 days
New connection/ additional load where supply can be provided after extension/augmentation of network	LT 30 days HT 90 days EHT 180 days	LT 30 days HT 90 days EHT 180 days	LT 30 days HT 90 days EHT 180 days
Erection of substation to extend supply	As per the approval of the Commission	As per the approval of Commission	As per the approval of Commission

To

Activity	Class I cities	Urban Areas	Rural Areas	Remote Areas
New connection/ additional load where supply can be provided from existing network	7 days	7 days	15 days	30 days
New connection/ additional load where supply can be provided after extension/augmentation of network	Not exceeding 90 days	Not exceeding 90 days	Not exceeding 90 days	Not exceeding 90 days
Erection of substation to extend supply	Not exceeding 90 days	Not exceeding 90 days	Not exceeding 90 days	Not exceeding 90 days

Clause 4.45 of the principal regulations about the period limits of installing the meter & accessories and seal the meter, meter box, and accessories and provide electricity as following:

- For remote areas: within 20 working days.

Madhya Pradesh Electricity Regulatory Commission (Terms and Conditions for determination of Generation Tariff) Regulations, 2024

(with effect from April 1st 2024, and shall remain in force till 31.03.2029)

Tariff Determination

The generating company shall make an application in accordance with these Regulations for determination of provisional tariff for new generating station or unit within 60 days prior to the anticipated date of commercial operation and within 90 days prior to the anticipated date of commercial operation for final tariff.

The Commission shall, at all times, have the authority, either suo-motu or on a petition filed by any interested or affected party, to determine the tariff of generating company and shall initiate the process of such determination in accordance with the procedure as set out in the MPERC (Conduct of Business) (Revision-1) Regulations, 2016 as amended from time to time.

The generating company shall put all the details of the petition filed before the Commission on its website not later than fifteen working days of its acceptance by the Commission.

The Commission shall carry out the truing up exercise for the FY 2024-29 on an annual basis based on the capital expenditure, including additional capital expenditure incurred in each financial year including on account of Force Majeure and Change in Law as well as additional capital expenditure incurred on account of Emission control system.

The generating company shall submit all necessary documents as per the commission every year by November 15th for the true-up exercise. No part of the tariff can be amended more than once in a year.

Components of tariff

The tariff for the supply of electricity from a thermal generating station shall comprise two parts, namely, capacity charge (for recovery of annual fixed cost) and energy charge (for recovery of primary and secondary fuel cost)

The commission shall separately determine supplementary charges on account of revised emission standards.

The annual fixed cost (AFC) of a generating station shall consist of the following components:

- Return on equity; Depreciation, Interest on loan capital, Operation and maintenance expenses and Interest on working capital.

Energy charges shall be derived based on the Landed Fuel Cost (LFC) of a generating station (excluding hydro) and shall consist of the following costs:

- Landed Fuel Cost of primary fuel; Cost of secondary fuel oil consumption, and Cost of Limestone or any other regent.

Maharashtra Electricity Regulatory Commission (Framework for Resource Adequacy) Regulations, 2024

The purpose of these Regulations is to enable the implementation of the Resource Adequacy Framework by designing a system for planning generation and transmission resources to reliably meet forecasted demand by complying with specified reliability standards to supply electricity loads with an optimum generation mix.

Provided that the planning of transmission resources shall be consistent with MERC (State Grid Code), Regulations, 2020, and amendments thereto.

Assessment of Planning Reserve Margin (PRM)

The Planning Reserve Margin (PRM) as a percentage of peak load indicates excess generation resources or planning reserves required to be considered for the purpose of generation resource planning. Provided that the time limit prescribed in regulation 21 of these regulations shall continue to apply from the financial year 2025-26. But further, for the financial year 2024-25 i.e. from April 01, 2024, to March 31, 2025, the time limit shall be notified separately by the Commission.

Maharashtra Electricity Regulatory Commission (Forecasting, Scheduling and Deviation Settlement for Solar and Wind Generation) (First Amendment) Regulations, 2024.

The MERC's First Amendment to the F&S Regulations, 2024, aims to refine the forecasting, scheduling, and deviation settlement processes for solar and wind generation in Maharashtra. The provision aimed to ensure that payments and receipts on account of energy accounting and deviations would be settled based on actual generation. Additionally, the State Load Despatch Centre (SLDC) was tasked with preparing State Deviation Pool Accounts and publishing-related statements on its website for transparency.



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