

**CENTRAL ELECTRICITY REGULATORY COMMISSION  
NEW DELHI**

**Dr. Pramod Deo, Chairperson  
Shri S.Jayaraman, Member  
Shri V.S.Verma, Member  
Shri M.Deena Dayalan, Member**

**File No:L-7/14/2010/CERC**

**Date: 27.9.2010**

**In the matter of**

Utilisation of RLDC Reactive energy charge component of Power System Development Funds for the purpose of capacity building.

**In the matter of**

1. Managing Committee, Power System Development Funds
2. Northern Regional Power Committee
3. Western Regional Power Committee
4. Southern Regional Power Committee
5. Eastern Regional Power Committee
6. North Eastern Regional Power Committee

**ORDER**

As per the provisions of Regulation 3 of Central Electricity Regulatory Commission (Power System Development Funds) Regulations, 2010 (hereinafter "Funds Regulations"), the congestion charges standing to the credit of the Congestion Charge Account after releasing the amounts payable to Regional Entities, congestion charges arising out of the differences in market prices of different regions due to market splitting, Unscheduled Interchange Charges standing to the credit of the Unscheduled Interchange Pool Account Funds after final settlement of fees, and RLDC reactive energy charges are to be credited to the Power System Development Funds. Regulation 4 of Funds



capacity building and in view of the provisions in Grid Code, we hereby decide and direct as under:

(a) The RLDC reactive charges components in the Funds may be utilized for the purposes of capacity building in the respective region as provided in the Grid Code.

(b) The proposals shall be processed as per the applicable norms of the Managing Committee of the Funds and also in accordance with norms, rules and guidelines of the respective organizations to which the personnel belong.

(c) Capacity building proposals in a region upto a limit of Rs. two crore per year or 30% of the outstanding balance as at the beginning of the financial year whichever is less will require only approval of respective Regional Power Committee and the proposals beyond this limit will require approval of Commission through Managing Committee.

<b>sd/-</b> <b>(M.DEENA DAYALAN)</b> <b>MEMBER</b>	<b>sd/-</b> <b>(V.S.VERMA)</b> <b>MEMBER</b>	<b>sd/-</b> <b>(S.JAYARAMAN)</b> <b>MEMBER</b>	<b>sd/-</b> <b>(Dr. PRAMOD DEO)</b> <b>CHAIRPERSON</b>
--	--	--	--