

CENTRAL ELECTRICITY REGULATORY COMMISSION
New Delhi

No.L-7/142/157/2008-CERC

Dated the 2nd June 2011

NOTIFICATION (DRAFT)

In exercise of powers conferred under Section 178 of the Electricity Act, 2003 and all other powers enabling it in this behalf, and after previous publication, the Central Electricity Regulatory Commission (hereinafter referred as “the Commission”) hereby makes the following regulations, namely: -

1. Short Title and Commencement

- (1) These regulations may be called the Central Electricity Regulatory Commission (Payment of Fees) Regulations, 2011.
- 2) These regulations shall come into force from the date of their publication in the Official Gazette.

2. Definitions:

- (1) In these regulations, unless the context otherwise requires:-
 - (a) “Act” means the Electricity Act, 2003 (36 of 2003);
 - (b) “Application for determination of tariff” includes the tariff petitions filed under section 62 of the Act for determination of tariff in accordance with Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2009 or any subsequent enactment thereof.

- (c) “Application for adoption of tariff” means the application filed by any person for adoption of tariff which has been discovered through the process of competitive bidding in accordance with section 63 of the Act.
- (d) ‘Annual Registration Charges’ means the annual charge payable by the Power Exchanges for registration including continuance of registration in accordance with the Central Electricity Regulatory Commission (Power Market) Regulations, 2010.
- (e) “Commission” means the Central Electricity Regulatory Commission referred to in sub-section (1) of Section 76 of the Act;
- (f) ‘Compliance petitions’ means the petitions filed by the Power Exchanges or the trading or transmission licensees for compliance of any of the provisions of the regulations issued by the Commission or order of the Commission.
- (g) “Inter-State trading” for the purpose of these regulation shall include purchase of electricity by an inter-State trading licensee including a deemed trading licensee within the territory of one State for the purpose of re-sale within the territory of another State and electricity imported from any other country for re-sale in any State in India;
- (h) ‘Inspection fee’ means fee charged for inspection of judicial records of the Commission in accordance with the provisions of Central Electricity

Regulatory Commission (Conduct of Business) Regulations, 1999 as amended from time to time.

- (i) 'Interlocutory Application' means an application in any petition in which proceeding has already been instituted before the Commission.
- (j) 'Miscellaneous Petition' means any petition filed under the provisions of the Act or Regulations filed before the Commission but does not include petitions for determination or adoption of tariff or for grant of license.
- (k) 'Regulatory Functions' means the functions discharged by National Load Despatch Centre (NLDC) and the Regional Load Despatch Centre (RLDC) in discharge of their statutory functions under the provisions of the Act and the Regulations framed by the Commission thereunder.
- (l) "Short-term transaction" means a transaction where the period of supply of power is less than one year.
- (m) 'Short-Term Inter-State Transaction' means the volume of transactions being carried at the Power Exchanges registered or deemed to be registered under the provisions of the Central Electricity Regulatory Commission (Power Market) Regulations, 2010, and the volume of inter-State trading transactions carried out by inter-State trading licensees including deemed licensees in the OTC (over the counter) markets.

(2) The words and expression used in these regulations and not defined herein but defined in the Act and other regulations issued by the Commission from time to time shall have the meaning assigned to them under the Act.

3. Fee for Application for Determination of Tariff

(1) An application for determination of tariff of a generating station or a unit thereof, shall be accompanied by a fee payable at the rate of ₹3600/MW/annum, ₹4000/MW/annum and ₹4400/MW/annum for the years 2011-12, 2012-13 and 2013-14, respectively corresponding to the installed capacity of such generating station or unit thereof, for which tariff is to be determined:

Provided that where the fee for the tariff period 2009-14 in respect of the generating station or unit thereof has already been paid based on the previous regulations, the generating company shall pay the balance fee as per above prescribed rate.

(2) An application for determination of tariff for inter-State transmission system or an element thereof shall be accompanied by a fee payable at the rate of 0.09%, 0.10% and 0.11% of the total annual transmission charges per annum claimed in the application for the years 2011-12, 2012-13 and 2013-14, respectively, rounded off to the nearest one hundred rupees and subject to a minimum of ₹100000/= (₹ One lakh only):

Provided further that the fee paid as aforesaid shall be finally adjusted with actual tariff determined by the Commission for each year:

Provided also that the transmission licensee who has already paid the entire fee for the period 2009-14 based on the previous regulations shall pay the balance fee as per the above prescribed rate.

4. Fee for Application for Adoption of Tariff

An application for adoption of tariff in terms of Section 63 of the Act, shall be accompanied by a fee of ₹25 lakh.

5. Fee for Application for grant of License

An application for grant of license for inter-State transmission of electricity or inter- State trading in electricity, shall be accompanied by such fee as may be prescribed by the Central Government from time to time.

6. Fees for other Applications

(1) The fee for other applications will be charged as under:

(a) Miscellaneous Application: ₹ 5 lakh (Rupees five lakh only)

(b) Review Application: ₹ 5 lakh (Rupees five lakh only)

(c) Interlocutory Application: ₹1 lakh (Rupees one lakh only)

(d) Compliance Application: ₹ 50,000/- (Rupees fifty lakh only)

(2) No application fee shall be payable by the National Load Despatch Centre (NLDC) and the Regional Load Despatch Centre (RLDC) for an application made in discharge of its regulatory functions.

7. License Fee

(1) The transmission licensee for inter-State transmission, including a person deemed to be a transmission licensee referred to under any of the provisos to Section 14 of the Act, shall pay license fee at the rate of 0.09%, 0.10% and 0.11% per annum of the annual transmission charges for the years 2011-12, 2012-13 and 2013-14, respectively, rounded off to the nearest one hundred rupees subject to minimum of Rs 5lakh. (Rupees five lakh only)

(2) The transmission licensee granted a licensee for the inter-State transmission of electricity shall pay license fee at the rate of ₹5.00 lakh (Rupees Five lakh only) per annum from the date of grant of license and up to the date preceding the date of commercial operation of the inter-State transmission system or an element thereof subject to minimum of of ₹5.00 lakh (Rupees Five lakh only).

(3) An electricity trader granted license for inter-State trading in electricity in accordance with Central Electricity Regulatory Commission (procedure, terms and conditions grant of trading license and related matters) Regulations,2009 as amended from time to time shall pay annual license fee at the rates specified hereunder:

Sr. No.	Category of license	Fee per annum (₹ in lakh)
1	Category-I (No Limit)	52.50
2	Category-II (Upto 1500 MU Annually)	18.75
3	Category-III (Upto 500 MU Annually)	7.50
4	Category-IV (Upto 100 MU Annually)	3.75

(4) Fee specified in this regulation shall be paid within thirty days of the date of grant of license and thereafter annually by 30th April of each year.

8. Annual Registration Charge for Power Exchange

(1) Power exchanges shall pay annual registration charge at the rates specified hereunder:

Annual turnover of Power Exchange (Million Units)	Annual Registration Charge (₹ in lakh)
Above 10,000	52.50
Above 5,000 and Up to 10,000	26.25
Up to 5,000	7.50

(2) “Annual Turnover” means such turnover in Million Units of Electricity (MU) which is calculated considering the total number of units cleared in all types of transactions on a Power Exchange in a financial year.

Explanation- If a transaction of 10 MU is cleared, the turnover considered will be 10 MU only and not a cumulative addition of 10 MU as buy quantity and 10 MU as sell quantity of that transaction;

(3) This would supersede the annual registration charge specified under Regulation 23 of the Central Electricity Regulatory Commission (Power Market) Regulations, 2010. Other provisions of the said regulations shall remain unchanged.

9. Short Term Inter-State Transaction Fee (STIT Fee)

(1) Short term Interstate transaction Fee shall be collected on all short term inter-state transactions including transactions involving banking/swapping of power, undertaken through power exchanges, electricity traders and transactions undertaken by deemed trading licensees.

OTC markets (Bilateral transactions and transaction through Traders)

(2) STIT Fee shall be charged on a percentage basis on the billed amount and paid by the buyer.

(3) In the case of sale of power involving multiple transactions through traders or power exchange or deemed licensee or their combination, STIT fee shall be charged on every instance when a bill is raised by the seller.

(4) The STIT fee shall be on a percentage (%) basis on the billed amount of the contract and should be indicated as a separate head (STIT Fee)in the invoice, where

(a) The billed amount for the contract is defined as Contracted power price (₹/Kwh) X Power volume (MU),

where ,Contracted power price in :

OTC transaction refers to power price agreed as per contract between seller and buyer excluding any trading margin wherever applicable and transmission charge.

1. Banking/swapping transactions for both initial and return leg of the transaction refers to the simple average area price (of any one power exchange for a period of one year, declared by the concerned parties to the transaction in the beginning of the financial year) in the day ahead market corresponding to the hours and date when the power has been scheduled in the banking/ swapping transaction.

(b) Power volume (MU) refers to the volume of power scheduled at the RLDCs/ NLDC under the contract. (It may not be the contracted volume or the actual power drawn).

Power Exchange

(5) STIT Fee shall be charged on a percentage basis on the billed amount and paid by the buyer.

(6) The STIT fee shall be on a percentage (%) basis on the billed amount of the contract and should be indicated as a separate head (STTIT Fee) in the pay in/ pay out statement for members and invoice/contract note of members' clients', where

- (a) The billed amount for the contract is defined as Contracted power price (₹/Kwh) X Power volume (MU),

where ,Contracted power price in :

1. Day ahead market refers to the bid area cleared price where the buyer or seller is physically located excluding power exchange commission, member service charge and transmission charge.

2. Term ahead market refers to the power price agreed / discovered between the buyer and seller excluding power exchange commission, member service charge and transmission charge.
3. In case an interstate trading licensee operates on power exchange they shall be guided by sub-clauses (1) and (2) of this clause.

Manner of Collection

(7) In all transaction done on exchange platform, power exchange shall collect this fee from its members who in turn shall collect it from their respective clients and remit the same to the Commission on a monthly basis, on or before 5th day of the following month. The fee at the time of collection shall be rounded off to the nearest one hundred rupees.

(8) (a) In all transactions done through interstate trading licensees, the electricity trader shall collect this fee from its buyer or seller as the case may be and deposit the same to the Commission on a monthly basis, on or before 5th day of following month. The fee at the time of collection shall be rounded off to the nearest one hundred rupees.

(Explanation: In a transaction where generator is the seller and trader is the buyer, trader may make full payment to generator including STIT fee and thereafter collect STIT fee back from the generator to pay the fee to CERC)

(b) This will be paid for the bills for which payment has been made to him during the previous month.

(9) (a) In all interstate transactions from Discom to buyer (bilateral trade without electricity trader), the NLDC shall collect and remit the fee to the Commission on monthly basis, on or before the 5th day of the following month. The fee at the time of collection shall be rounded off to the nearest one hundred rupees.

(b) This will be paid for the bills for which payment has been made to him during the previous month.

(8) Power exchanges, electricity traders and NLDC shall maintain a register of this fee and furnish such returns or information to the Commission in respect of fee collected on a monthly basis on or before 15th day of the month on affidavit, certified by a chartered accountant, along with soft copy on a CD and as and when specified by the Commission. The format for this register shall be notified through an order of the Commission.

(10) Without prejudice to clause (8), a power exchanges, electricity traders and NLDC shall also be liable to furnish such information or explanations to the Commission as may be required by it in respect of fee collected or liable to be collected under this regulation.

(11) Nothing contained in clauses (5) and (6) of this regulation shall affect the primary liability of a power exchange and electricity trader to pay the fee mentioned under clause (4) of this regulation or shall preclude the Commission from recovering any such fee remaining unpaid by the power exchange or electricity trader directly from him.

(12) For any non compliance to this regulation the CEO of the firm shall be held responsible.

(13)The rates for Short Term Inter-State Transaction Turnover Fee are specified hereunder:

Sr. No.	Category	Rate of Fee
1	Power Exchange	0.02% of billed amount (₹ 20/- per lakh)
2	Electricity Trader	0.02% of billed amount (₹ 20/- per lakh)
3	Discom (undertaking interstate trading)	0.02% of billed amount (₹ 20/- per lakh)

10. Fee for Inspection of records and certified copy

(1) A fee of ₹1500/- per day for duration not exceeding three hours shall be payable for inspection of judicial records.

(2) A fee of ₹ 50/- per page shall be payable for issue of certified copy of the documents forming part of the judicial records.

11. Miscellaneous

(1) In case of application fee for determination of generation and transmission tariff and license fee for inter-state transmission, the fees fixed for the year 2013-14 shall be applicable to the year 2014-15 and thereafter unless revised by the Commission.

(2) Fee for part of the year, shall be payable on *pro rata* to the number of days during the year and shall be rounded off to the nearest hundred rupees.

12. Late Payment Surcharge

Without prejudice to any other action that may be considered appropriate for non-compliance of these regulations, late payment surcharge at the rate of one per

centum (1%) rounded to the nearest one hundred rupees, shall be paid on the outstanding amount for each month. For part of the month the surcharge will be *pro rata* to the number of days for which the outstanding amount remains unpaid.

13. Mode of Payment

(1) All fees, including late payment surcharge shall be payable through Real Time Gross Settlement (RTGS) for value above ₹one lakh and through National Electronic Fund Transfer (NEFT) for amount below ₹one lakh.

(2) Persons making payment of fees in accordance with these regulations shall be required to submit the details of remittance through RTGS/NEFT as per the Form-I to these regulations, within three days of making such payment.

14. Power to Relax

The Commission may in appropriate cases and for reasons to be recorded in writing relax any of the provisions of these regulations.

15. Repeal and Saving

(1) Save as otherwise provided in these regulations, the Central Electricity Regulatory Commission (Payment of Fee) Regulations, 2008 shall stand repealed from the date of commencement of these regulations.

(2) Notwithstanding such repeal, anything done or purported to have been done under the repealed regulations shall be deemed to have been done or purported to have been done under these regulations.

(Rajiv Bansal)
Secretary

Form-I

Particulars	
1.Name of the Petitioner/Applicant	
2. Address of the Petitioner/Applicant	
3.Subject Matter	
4.Petition No., if any	
5.Details of generation assets (a) generating station/units (b) Capacity in MW (c) Date of commercial operation (d) Period for which fee paid (e) Amount of fee paid (f) Surcharge, if any	
6.Details of transmission assets (a) Transmission line and sub-stations (b) Date of commercial operation (c) Period for which fee paid (d) Amount of fee paid (g) Surcharge, if any	
7.Fee paid for Adoption of tariff (a) Whether generation asset or transmission asset (b) Amount of fee paid	
8.Application fee for license (a) Whether Trading license/Transmission license (b) Period for which paid (c) Amount of fee paid (d) Surcharge , if any	
9.Fees paid for Miscellaneous Application	
10.Fees paid for interlocutory Application	
11.Fee paid for compliance petition	

12. License fee for Inter-state Trading (a) Category (b) Period (c) Amount of fee paid (d) Surcharge, if any	
13. License fee for Transmission (a) Expected/Actual transmission charge (b) Period (c) Amount of fee calculated as a percentage of transmission charge. (d) Surcharge, if any	
14. Annual Registration Charge for Power Exchange (a) Period (b) Amount of turnover (c) Fee paid (d) Surcharge, if any	
15. Details of fee remitted (a) UTR No. (b) Date of remittance (c) Amount remitted	
Note: While Sl. Nos 1 to 3 and 16 are compulsory, the rest may be filled up as applicable	
Signature of the authorized signatory with date	