

**CENTRAL ELECTRICITY REGULATORY COMMISSION  
NEW DELHI**

**Coram**

1. **Shri Ashok Basu, Chairperson**
2. **Shri Bhanu Bhushan, Member**
3. **Shri A.H.Jung, Member**

**Petition No.129/2005  
(Suo Motu)**

**In the matter of**

Reimbursement of application fee and publication charges to Central Power Sector Utilities.

**STATEMENT OF REASONS**

Under sub-section (1) of Section 64 of the Electricity Act, 2003 (the Act), an application for determination of tariff made by a generating company or a licensee is to be accompanied by such fee as may be determined by regulations by the Commission. Sub-section (2) of Section 64 further provides that every application for tariff is to be published in such abridged form and manner as may be specified by the Commission.

2. In pursuance of sub-section (1) of Section 64 of the Act, the Commission has specified the Central Electricity Regulatory Commission (Payment of Fee) Regulations, 2004. Fee structure notified by the Commission is as under:

**FEE STRUCTURE**

Sl.No.	Name of application	Fee (in Rs.)
1.	Application for determination of generation tariff	25 lakh
2.	Application for determination of transmission tariff	5 lakh
3.	Any other application, excluding the application for grant of licence	1 lakh
4.	Interlocutory application	20,000/-
5.	Application for inspection of the judicial records	500/- per day
6.	Application for obtaining certified copy of the documents forming part of the judicial records	10/- per page

3. Similarly, under sub-section (2) of Section 64 of the Act, the Commission has specified the Central Electricity Regulatory Commission (Procedure for making of

application for determination of tariff, publication of the application and other related matters) Regulations, 2004.

4. In terms of the Regulation 5 (3) of the Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2004, in case of a generating station or the transmission system declared under commercial operation on or after 1.4.2004, an application for fixation of tariff is to be made in two stages, namely, for determination of provisional tariff and final tariff. The generating companies and the transmission licensees have been making applications for approval of provisional tariff in the first instance. The applications for determination of provisional tariff are accompanied by the fee specified by the Commission and reproduced at para 2 above, that is, Rs.25 lakh for a generating station and Rs.5 lakh for the transmission system. The notices for provisional tariff are also being published in the newspapers in terms of para 3 above. Similar procedure is adopted by the generating companies and the transmission licensees while making applications for approval of final tariff.

5. The State beneficiaries are being asked to reimburse the expenses incurred on publication of notices. In this context, a view was expressed that it may not be necessary to publish the notices in the newspapers when a generating company or the transmission licensee makes a proposal for approval of provisional tariff. It was also proposed that the application for determination of provisional tariff may be treated as an application other than application for determination of tariff so as to be covered under Ser. No.3 of the fee structure at para 2 above. These proposals were circulated among the stakeholders for their views.

6. The utilities have unanimously agreed with the view that the applications for provisional tariff be treated as applications other than those for determination of tariff. Since determination of provisional tariff does not involve as detailed an exercise of computation of tariff as in the case of final tariff, fee of Rs.1 lakh for such applications may be appropriate. Further, final tariff replaces the provisional in all respects. The consumers will get the opportunity to respond to the proposals for final tariff which will be the ruling tariff, published in accordance with the sub-section (2) of Section 4 of the Act. Therefore, it may not be necessary to publish notices in the newspapers by the generating companies and the transmission licensees while making proposals for approval of provisional tariff. It will ease the burden on the consumers of reimbursing the expenditure of publication in two stages, one at the stage of provisional tariff and other at the final tariff stage.

7. Accordingly, it is directed that amendments as under may be notified:

(a) Sl.No.3 of the Schedule, relating to fee structure, in the Central Electricity Regulatory Commission (Payment of fee) Regulations 2004 may be substituted as under:

“3. Any other application, excluding the application for grant of licence but including the application for determination of provisional tariff”

(b) The following proviso may be inserted after clause (6) of Regulation 3 of the Central Electricity Regulatory Commission (Procedure for making of application for determination of tariff, publication of the application and other related matters) Regulations, 2004:

“Provided that it shall not be necessary to publish notice of the application made for approval of provisional tariff”.

8. Accordingly, the suo motu petition stands disposed of.

**Sd/-**  
**(A.H.JUNG)**  
**MEMBER**

**Sd/-**  
**(BHANU BHUSHAN)**  
**MEMBRER**

**Sd/-**  
**(ASHOK BASU)**  
**CHAIRPERSON**

**New Delhi dated 5<sup>th</sup> December, 2006**