

**FORUM OF REGULATORS (FOR)**  
Sectt. Central Electricity Regulatory Commission  
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FOR-15/2(82<sup>nd</sup> FOR)/2022-CERC

Dated:03-10.2022

Dr. P.K. Sinha,  
Deputy Secretary  
Ministry of Power,  
New Delhi.  
Email:pk.sinha1966@gov.in

**Subject:** Draft Electricity (Amendment) Rules, 2022 - reg

Sir,

I am directed to refer to Ministry of Power letter No.23/2/2022-R&R dated 12.08.2022 seeking comments on the draft Electricity (Amendment) Rules, 2022.

2. Draft Electricity (Amendment) Rules, 2022 was discussed in the Special meeting of the Forum of Regulators (FOR) held on 29-30 August, 2022 and approved in the 82<sup>nd</sup> FOR meeting held on 16.09.2022. The comments are forwarded herewith for necessary action.

Yours faithfully,



(P.M. Antony)

Assistant Secretary, FOR

**Encl:** As above

**Copy to:**

1. Secretary, CERC/FOR, New Delhi
2. Chief (RA), CERC, New Delhi
3. Dy. Chief (RA), CERC, New Delhi

**COMMENTS OF THE FORUM OF REGULATORS ON SPECIFIC CLAUSES OF THE ELECTRICITY (AMENDMENT) RULES, 2022 ARE AS UNDER:**

**Following clauses of the electricity Amendment rules, 2022 need to be amended/modified:**

1. **Rule 2(g):** Co-generation from non -fossil fuel may be added.
2. **Rule 10(1):** The Appropriate Commission, shall pass a final order, for resolution of dispute under Sections 79(f) and 86(f), within One Hundred and Twenty days from the date of **completion of the pleadings** in the Commission, which may be extended by thirty days for reasons to be recorded in writing. Proviso to clause 1 may be deleted as it is not possible to pass interim orders in all proceedings.
3. **Rule 10(2):** The APTEL does not have concurrent original jurisdiction as per section 111 of the Act. Clause 2 should be deleted as it is not in consonance with the provisions of the Act.
4. **Rule 13:** The Act does not provide for surcharge exceeding 20% of ACOS.
5. **Rule 15:** The model regulation can be framed by FOR for subsidy accounting.
6. **Rule 16 (1):** It would be desirable that the guidelines on Resource Adequacy framed by the Central Government are aligned with the framework of Resource Adequacy in the Grid Code issued by CERC and framework being worked out by the FOR.
7. **Rule 16(3):** The State Commission shall review the resource adequacy, **every year during finalization of ARR**, for each of the distribution licensees. The State Commission may specify non-compliance charges for failure to comply with the Resource Adequacy target approved by the Commission.
8. **Rule 19:** The following implementation challenges need to be analysed and resolved before notification of these Rules. a. The continuous addition of RE projects, as and when they are commissioned, in the pool account, would make the tariff of the RE source dynamic and unpredictable in nature, which would be changing every month. This would have implication on the calculation of consumer tariff. b. The benefit/ impact of change in law on one generating company would have an impact on the tariff of the entire pool account. c. The duration for which pooling arrangement is to be carried may be clarified.
9. **Rule 19(f):** The trading margin, as notified by the **Appropriate Commission** (or in the absence of such notification, as mutually agreed between the Intermediary Procurer and the End Procurer), shall be payable by the End Procurer to the Intermediary Procurer.

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