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Draft Maharashtra Electricity Regulatory Commission (Fees and Charges) Regulations,
2017
Explanatory Memorandum

Dated: 27 February, 2017

Introduction

In exercise of its powers under Section 86(1)(g) read with Section 181 of the Electricity Act, 2003, the Commission had notified the “Maharashtra Electricity Regulatory Commission (Fees and Charges) Regulations, 2004” (‘Existing Regulations’). These Regulations specify the Fees and Charges payable to the Commission for different types of Applications made and Licences sought or granted by the Commission under the provisions of the Act and the relevant Rules and Regulations.

Since thirteen years have passed since the Existing Regulations were notified, the Commission decided to review and rationalise the Fees and Charges considering the evolution of the power sector and the nature of the work involved on the part of the Commission and its funding requirements, and also to provide greater clarity and ease of implementation. The Commission appointed M/s PricewaterhouseCoopers Pvt. Ltd., India to assist it. As the outcome of this review, the Commission has published a draft of the new Fees and Charges Regulations, 2017 (‘Proposed Regulations’) seeking comments from stake-holders and the general public. The main differences between the Existing and the Proposed Regulations are explained below.

1. Applicability of Regulations

Existing Regulations

“1.3 It shall apply to all matters within the jurisdiction of the Commission, including all Applications pending before the Commission at the date of publication and all Applications disposed of by the Commission prior to publication and against which a provisional fee or charge was paid or to be paid by the applicant.”

Proposed Regulations

“1.2 These Regulations shall come into force from the date of their publication in the Official Gazette.”

Rationale for revision

The Proposed Regulations would apply only prospectively since, unlike in 2004, the earlier Fees and Charges were not being levied on a provisional basis but in accordance with the Existing Regulations.

2. Definitions

Small Distribution Licensee:

Existing Regulations

‘Small Distribution Licensee’ is not mentioned.

Proposed Regulations

“2.1(e) “Small Distribution Licensee” means a Distribution Licensee which has an estimated Annual Revenue Requirement for sale of up to 500 Million Units of electricity for the first year of its Application for Tariff determination.”

Rationale for revision

With the emergence of Distribution Licensees for much smaller areas and/or a limited number and range of consumers (such as Special Economic Zone Developers, and other types which may come up in future), a new sub-category of “Small Distribution Licensees”, as defined above, is proposed to be introduced for the purpose of levy of Fees and Charges.

3. General Provisions

Delayed Payment Charges:

Existing Regulations

No surcharge has been specified for any delay in the payment of Fees and Charges.

Proposed Regulations

“Schedule

3....

Provided that:

...(b) in case of delay in the payment of the Licence Fee, the Licensee shall be liable to pay interest on the outstanding amount at a simple interest rate of 1.25 per cent per month;”

Rationale for revision

A Delayed Payment Charge (DPC) is proposed to be levied at a simple interest rate of 1.25% on the outstanding amount for each month, along the lines of the DPC provision in the Commission’s Multi-Year Tariff Regulations, 2015, in order to promote timely payment.

Fees for fresh Applications in matters disposed of by the Commission with liberty to re-apply:

Existing Regulations

Application Fees are payable even in such cases.

Proposed Regulations

“3.6 No Fee will be payable for fresh Applications in matters which the Commission had earlier disposed of with liberty to the Applicant to approach the Commission after the decision of the concerned higher Court or Tribunal.”

Rationale for revision

Since Fees were paid at the time of original Application, which was disposed of with liberty to re-apply after the decision of the higher court or tribunal, no Fee is proposed for a fresh Application in the same matter.

4. Schedule

Existing Clause

“1. Adjudication of dispute regarding availability of transmission facility under the second provision to sub-section (2) of Section 9 under the Act, to be paid by the person who has referred such dispute to Commission: Rs. 10,000 for the first 1 MW of transmission capacity sought and Rs. 1,250 per MW thereafter, subject to a maximum of Rs. 1,00,000

8. Adjudication of dispute regarding extent of surplus capacity under the proviso to Section 35 of the Act: Rs 5,00,000 plus Rs 50,000 per outstation hearing

10. Adjudication of disputes regarding provision of non-discriminatory open access under sub-section (47) of Section 2 read with Section 40 of the Act and Regulations specified thereunder, not covered above:

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(i) referred by a Licensee or by a Generating Company: Rs 5,00,000 plus Rs 50,000 per outstation hearing

(ii) referred by Person who has constructed and maintains and operates a Captive Generating Plant: Rs 25,000

(iii) referred by consumer/ Consumer Representative: Rs 5,000.

11. Adjudication of disputes regarding provision of non-discriminatory open access under sub-section (47) of Section 2 read with sub-section (2), (3) and (4) of Section 42 of the Act and regulations specified thereunder:

(i) referred by a Licensee or by a Generating Company, other than a Generating Company referred to in (ii) below: Rs 5,00,000 plus Rs 50,000 per outstation hearing

(ii) referred by a Generating Company directly connected to the distribution system of a Distribution Licensee or by Person who has constructed, maintains and operates a Captive Generating Plant: Rs 25,000

(iii) referred by consumer/ Consumer Representative: Rs 5,000

21. Adjudication under clause (f) of sub-section (1) of section 86 of disputes between licensees and generating companies and between licensees themselves, not covered elsewhere in these Regulations: Rs 5,00,000 plus Rs 50,000 per outstation hearing”

Proposed Clause

“1. Application for adjudication of disputes under the provisions of the Act:

(i) made by a Licensee or by a Generating Company, other than a Generating Company referred to in (ii) below: Conventional fuel based (coal, gas, oil, etc.) Generation Plant, Hydro Power Plant (above 25 MW), and a Licensee: Rs. 3,00,000 and Non-conventional or Renewable Energy Plant, including Co-Generation: Rs. 50,000

(ii) made by a person owning a Captive Generating Plant: Rs. 25,000

(iii) made by a Consumer or a Consumer Representative: Rs. 5,000”

Rationale for revision

The Act provides for certain disputes to be referred to the Commission. In order to rationalize and simplify the provisions of the Regulations in this regard, all the Clauses relating to adjudication of such disputes have been brought together, and to make a distinction between the Fees payable by Licensees and Conventional Generators on the one hand and Non-Conventional and Renewable Energy Generators on the other, generally considering differences in the nature of Applications received. The provision for additional Fees for out-station hearings has been removed.

Existing Clause

“2. Initial licence fee upon grant of licence under Section 15 of the Act: Rs 5,00,000”

Proposed Clause

No Initial Licence Fee is payable.

Rationale for revision

The Existing Regulations require Licensees to pay Fees upon application as prescribed by Government of Maharashtra, Fees upon grant of Licence as well as Annual Licence Fees. Considering the multiplicity of Fees that are to be paid and their nature, and in order to simplify the administrative process, the Commission considers that no initial Licence Fee upon grant of Licence is required. The Licensee would pay the Application Fee for the Licence and the Annual Licence Fees.

Existing Clause

“3(i) Annual Licence Fees: Transmission Licence: Rs 1,000 per MW of transmission capacity contracts in force during the year or part thereof, subject to a minimum of Rs 1,00,000 and maximum of Rs 20,00,000”

Proposed Clause

“3 Annual Licence Fee

(i) Transmission Licence Fee: As computed based on voltage-wise network of the Licensee and Rs. per circuit kilometer corresponding to the voltage level (rounded off to the nearest one hundred rupees), as set out in the Table below, subject to a minimum of Rs. 2,00,000 and a maximum of Rs. 20,00,000:

<i>Sr. No.</i>	<i>Particulars</i>	<i>Fees (per circuit kilometer)</i>
<i>a.</i>	<i>HVDC</i>	<i>Rs. 12,000</i>
<i>b.</i>	<i>765 kV</i>	<i>Rs. 7,000</i>
<i>c.</i>	<i>400 kV and below</i>	<i>Rs. 3,000</i>

...Provided that

...(c) in the case of a Transmission Licensee, the annual Licence Fee shall be calculated based on circuit kilometers of the Transmission Lines existing at the end of the financial year prior to the last financial year, as certified by the State Transmission Utility;...”

Rationale for revision

The Transmission Licence Fees based on contracted Capacity under the existing Regulations may not appropriately represent the business of the Licensee. As a result, even a relatively smaller Licensee but with a higher contracted capacity would have to pay a large sum as Annual Licence Fee. Hence, it is proposed to apply the voltage wise circuit kilometer transmission network as the basis for the Annual Licence Fees, which would be more representative of the business size.

The circuit kilometers of different voltage levels have been allocated weightages based on the benchmark kilometer-wise cost of construction.

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The voltage-wise circuit kilometer transmission network of the Licensee existing at the end of the financial year prior to the last financial year, as certified by the State Transmission Utility, will be considered for calculation of the Licence Fee. For example, the Annual Licence Fee for FY 2017-18 would be based on the voltage wise circuit kilometer transmission network of the Licensee as existing on 31st March, 2016.

Existing Clause

“3(ii) Annual Licence Fees: Distribution Licence: 0.05 per cent of revenues (excluding taxes and duties) from the sale of electricity”

Proposed Clause

“3(ii) Distribution Licence Fee: 0.02 per cent of revenues, excluding taxes and duties, from the wheeling and sale of electricity (rounded off to the nearest one hundred rupees), subject to a minimum of Rs. 2,00,000:

...Provided that

...(d) in the case of a Distribution Licensee, the annual Licence Fee shall be calculated based on the revenue from wheeling and sale of electricity as shown in the audited accounts of the financial year prior to the last financial year;”

Rationale for revision

The revenues of the Distribution Licensees have been increasing over the years. The quantum of Annual Licence Fees has also increased correspondingly. Receipts which are surplus to the Commission's immediate requirements are invested in Bank Fixed Deposits at an interest rate lower than the rate at which Distribution Licensees borrow from financial institutions. The Licence Fee payments are ultimately passed on to consumers by inclusion in the Licensees' Aggregate Revenue Requirements. Considering these factors and the funding requirements, the Annual Licence Fee payable by a Distribution Licensee is proposed to be reduced to 0.02% of revenues, instead of the prevailing 0.05%.

Further, instead of projected estimates which may differ from actuals, and to provide clarity for computation, the Annual Licence Fees will be based on revenues from the wheeling and

retail sale of electricity as stated in the audited Accounts of the financial year prior to the last financial year (subject to a minimum of Rs. 2 lakh). For example, the Licence Fees for FY 2017-18 will be based on the revenues in the audited Accounts for FY 2015-16.

Existing Clause

“3(iii).0.05 per cent of revenues (excluding taxes, and duties) from the sale of electricity.”

Proposed Clause

“3(iii). Trading Licence Fee: 0.02 per cent of revenues, excluding taxes and duties, from the sale of electricity (rounded off to the nearest one hundred rupees), subject to a minimum of Rs. 2,00,000 and a maximum of Rs. 5,00,000:

...Provided that

...(e) in the case of a Trading Licensee, the annual Licence Fee shall be calculated based on the revenue from the sale of electricity as shown in the audited accounts of the financial year prior to the last financial year;”

Rationale for revision

The basis for determination of the Annual Licence Fee for Trading Licensees is proposed to be made consistent with that of Distribution Licensees, as explained above, but subject to a maximum of Rs. 5 lakh.

Proposed common Provisos for Annual Licence Fee

“(f) a Licensee who has been granted a Licence under Section 14 of the Act for the first time for a new Licence area shall pay an annual Licence Fee of Rs. 2,00,000 for the next two financial years following the grant of such Licence;

g) the proviso at (f) above shall apply only to a new Licensee and not to an existing Licensee applying for a Licence under Section 14 of the Act for the same Licence area.”

Rationale for Provisos

Since a new Licensee (not including those who were Licensees for the same area earlier) would not have audited Accounts of previous years for its operation as a Distribution Licensee, and in order to provide a stabilization period, a flat Licence Fee of Rs. 2 lakh is proposed for the two financial years following the grant of Licence. Thereafter, The Licence Fee applicable to other Distribution Licensees shall be payable. For example, if a Licence is granted to a new Licensee which is yet to start operations in the new Licence area from July, 2017, an Annual Licence Fee of Rs. 2 lakh shall be payable for FY 2018-19 and FY 2019-20 by 10th April, 2018 and 10th April, 2019, respectively. From FY 2020-21 onwards, the Annual Licence Fee will be as applicable to other Distribution Licensees.

Existing Clause

“4. Application seeking prior approval under Section 17 of the Act: 0.01 per cent of the value of the transaction for which approval is sought, subject to a minimum of Rs 5,00,000 and maximum of Rs 20,00,000.”

Proposed Clause

“4. Application for prior approval under Section 17 of the Act: 0.01 per cent of the value of the transaction for which approval is sought, subject to a minimum of Rs. 2,00,000 and a maximum of Rs. 5,00,000”

Rationale for revision

The minimum and maximum Application Fees are proposed to be reduced considering the Commission’s experience of the Applications received so far, and their nature and requirements.

Existing Clause

“6. Application for revocation of licence under subsection (2) of Section 19 of the Act

- (i) by Licensee: Rs 10,00,000
- (ii) by any person other than a Licensee: Rs 1,00,000”

Proposed Clause

“6. (a) Application for revocation of Transmission or Distribution Licence under sub-Section (2) of Section 19 of the Act

- (i) by a Transmission or Distribution Licensee: Rs. 10,00,000
- (ii) by a person other than a Transmission or Distribution Licensee: Rs. 1,00,000

(b) Application for revocation of Trading Licence under sub-Section (2) of Section 19 of the Act

- (i) by a Trading Licensee: Rs. 25,000
- (ii) by a person other than a Trading Licensee: Rs. 10,000”

Rationale for revision

Lower Fees are proposed for Applications for revocation of Trading Licences considering the more limited processing requirements likely to be involved.

Existing Clause

“7. Application under Section 35 of the Act for seeking the use of intervening transmission facilities: Rs 50,000”

Proposed Clause

This provision has been removed.

Rationale for revision

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The Commission is of the view that no separate provision is required for Applications under Section 35 of the Act for use of intervening transmission facilities. As a measure of rationalization, they may be treated as Miscellaneous Applications and charged accordingly.

Existing Clause

“9. Application for determination of rates, charges, terms and conditions under proviso to sub-section (1) of Section 36: Rs 2,50,000 plus Rs 50,000 per outstation hearing.”

Proposed Clause

This clause is deleted from the Schedule.

Rationale for revision

The Commission is of the view that, similarly, an Application for deciding the rates, charges and terms and conditions for use of intervening transmission facilities under the proviso to Section 36(1) may be treated as a Miscellaneous Application and charged accordingly.

Existing Clause

“12. Determination of tariff under the provisions of clause (a) of sub-section (1) of Section 62, to be paid by the applicant

(a) Conventional fuel based (coal, oil etc) Plant: Rs 10,00,000 for capacity upto 100 MW. Rs 2,500 for each additional MW or part thereof capacity”

Proposed Clause

“7. Application for Multi-Year Tariff determination (including capital cost approval) for:

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(a) Generation of electricity under clause (a) of sub-Section (1) of Section 62: Conventional fuel-based (coal, oil, gas, etc.) Generating Plant, Hydro Power Plant (above 25 MW): Rs. 10,00,000 for capacity up to 250 MW, and Rs. 1,00,000 for each additional 100 MW of capacity or part thereof (rounded off to the nearest one hundred rupees), subject to a maximum of Rs. 20,00,000”

Rationale for revision

The minimum Tariff determination Application Fee for Conventional Generating Plants is proposed to cover Plants with capacity up to and including 250 MW, since there are Plants with capacity in the range of 100 MW and 250 MW. The Commission has proposed to cap the Fee, but at Rs. 20 lakh (higher than for Licensees) considering the activities involved in the related capital investment approvals, Regulations governing Generating Companies and since they are not subject to Annual Licence Fees. The cap will ensure that the Fees payable are not open-ended as generation capacity increases. The slabs up to the maximum payable have also been rationalized.

Existing Clause

“12. Determination of tariff under the provisions of clause (a) of sub-section (1) of Section 62, to be paid by the applicant...”

(b) Non-conventional & Renewable Sources of Energy, including co-generation: Rs 5,000 for the first 1 MW of capacity. Rs 1,250 for each additional MW or part thereof capacity

(c) Generic determination of tariff for a class of projects: Lowest of fees/charges payable as at (a) and (b) above, as may be applicable.”

Proposed Clause

“11. Application for determination of Tariff under clause (a) of sub-Section (1) of Section 62 of the Act: Non-conventional and Renewable Energy, including Co-generation: Rs. 1,00,000 for capacity up to 5 MW; and Rs. 5,000 for each additional 5 MW of capacity or part thereof (rounded off to the nearest one hundred rupees), subject to a maximum of Rs. 5,00,000”

Rationale for revision

As in the Existing Regulations, a distinction has been made between Conventional Generating Plants and those based on Non-Conventional and Renewable Energy, but the Application Fee for Tariff determination is proposed to be rationalized to Rs. 1 lakh for capacity up to 5 MW, with an additional amount of Rs. 5,000 per 5 MW capacity thereafter and a cap of Rs. 5 lakh.

The provision for generic determination of Tariff for a class of projects has not been retained, having become redundant considering the practice of suo moto Tariff determination by the Commission for Plants based on such energy sources.

Existing Clause

“13. Annual / base year determination of tariff for transmission of electricity under the provisions of clause (b) of sub-section (1) of Section 62, to be paid by Licensee: Rs 15,00,000 plus Rs 1,00,000 per outstation hearing.”

Proposed Clause

“7. Application for Multi-Year Tariff determination (including capital cost approval) for:

(b) Transmission of electricity under clause (b) of sub-Section (1) of Section 62: Rs. 15,00,000”

Rationale for revision

In the current MYT regime, the initial determination of Tariff for a Transmission Licensee is being done at the beginning of a Control Period as per the MYT Regulations. The Application Fee of Rs. 15 lakh is being retained for such Transmission MYT Tariff determination considering the associated activities and analysis of capital investment schemes to be undertaken and other requirements. However, as in other cases, no additional amount is now envisaged for out-station hearings.

Existing Clause

“14. Annual / base year determination of tariff for wheeling of electricity under the provisions of clause (c) of sub-section (1) of Section 62, to be paid by the Licensee: Rs 5,00,000 plus Rs 1,00,000 per outstation hearing ...

15. Annual / base year determination of tariff for retail sale of electricity under the provisions of clause (d) of sub-section (1) of Section 62, to be paid by the Licensee: Rs 5,00,000 plus Rs 500 per MVA of peak demand up to a maximum of Rs 20,00,000 plus Rs 1,00,000 per outstation hearing”

Proposed Clause

“7. Application for Multi-Year Tariff determination (including capital cost approval) for:

(c)

(i) Wheeling of electricity under clause (c) of sub-Section (1) of Section 62; and/or

(ii) Retail sale of electricity under clause (d) of sub-Section (1) of Section 62:

Rs. 15,00,000 for a Distribution Licensee; and Rs. 5,00,000 for a Small Distribution Licensee”

Rationale for revision

Under the MYT regime, the initial determination of Tariff of a Distribution Licensee is being done at the beginning of a Control Period.

The separate Clauses for wheeling of electricity and retail sale of electricity have been clubbed since distribution is a combined business and consolidated Applications are made for Tariff determination. The basis of ‘per MVA of peak demand’ for the Fees has also been done away with, and a simpler flat rate of Rs. 15 lakh fixed considering the nature of the exercise required, with lower Fees of Rs. 5 lakh for the new category of Small Distribution Licensees. With this all-inclusive Fee, which also introduces a cap on the Fees payable, no separate amount for out-station hearings is proposed, as in other cases.

Existing Clause

“16. Annual review of tariffs and performance of the Licensee during the control period under a multiyear tariff framework, to be paid by the Licensee: Rs 5,00,000 plus Rs 1,00,000 per outstation hearing”

Proposed Clause

“8. Application for Mid-Term Review during the Control Period under the Multi-Year Tariff framework by a Generating Company for Conventional fuel-based (coal, oil, gas, etc.) Generating Plant, Hydro Power Plant (above 25 MW), or by a Licensee: 50 per cent of the Fee specified in these Regulations for the original determination (rounded off to the nearest one hundred rupees)

Provided that the Fee shall be payable by the Generating Company or Licensee irrespective of whether such Review is undertaken upon its Application or suo moto by the Commission;

Provided further that, for any Tariff Application other than for Multi-Year Tariff determination or Mid-Term Review, the Fee payable shall be 50 per cent of the Fee specified in these Regulations for the original determination”

Rationale for revision

The current MYT regime envisages a Mid-Term Review (MTR) during the Control Period. In case of MTR Applications (and also Applications for Tariff determination other than MYT and for MTR), a Fee of 50% of that payable under these (Proposed) Regulations for initial MYT determination is envisaged (for Conventional Generation Plants, Hydro Power Plants exceeding 25 MW capacity, and Licensees).

As in other cases, no additional amount is proposed for out-station hearings.

Existing Clause

“17. Application for review of Tariff Order or power purchase agreement or power procurement rate by Licensee: 10 per cent of the Fees paid at the time of the original Application for determination of Tariff plus Rs 50,000 per outstation hearing.

18. Application by a consumer or a Consumer Representative for review of Tariff Order or power purchase agreement or power procurement rate: Rs 25,000.

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19. *Application by a person other than the Licensee or a consumer/ Consumer Representative for review of Tariff Order or power purchase agreement or power: Rs 1,00,000 plus Rs 50,000 per outstation hearing ...*

22. *Application for review of Order passed under clause (f) of sub-section (1) of Section 86 of the Act: 10 per cent of the Fee paid for the original order plus Rs 50,000 per outstation hearing.”*

Proposed Clause

“13.

(a) Application for review of Tariff Order or power purchase agreement or power procurement rate

(i) by Licensee or Generating Company: 10 per cent of the Fee specified in these Regulations for the original determination (rounded off to the nearest one hundred rupees)

(ii) by a consumer or a Consumer Representative: Rs. 25,000

(iii) by a person other than the Licensee, Generating Company, a consumer or Consumer Representative : Rs. 1,00,000

(b) Application for review of Order on adjudication of disputes under the provisions of the Act: 10 per cent of the Fees specified in these Regulations for the original Application (rounded off to the nearest one hundred rupees)”

Rationale for revision

As a measure of simplification, the Commission has proposed to club the provisions in respect of Applications for review of Orders relating to determination of Tariff, power purchase agreement, procurement rate and for adjudication of disputes passed under Section 86(1)(f) of the Act.

As in other cases, the additional amount for out-station hearings has been deleted.

Existing Clause

“20. Application for approval of the schedule of charges of a Distribution Licensee under Section 45 and Section 46 of the Act: Rs 1,00,000 plus Rs 50,000 per outstation hearing”

Proposed Clause

“14. Application for approval of the schedule of charges of a Distribution Licensee under Sections 45 and 46 of the Act: Rs. 5,00,000 for Distribution Licensee and Rs. 2,00,000 for Small Distribution Licensee

Provided that, if the Licensee applies for approval of its schedule of charges as a part of its Tariff Petition, no such separate Fee shall be payable”

Rationale for revision

The Commission has proposed a flat Fee rate Rs. 5 Lakh and Rs. 50 Thousand as Fee for Application for approval of the schedule of charges for a Distribution Licensee and for a Small Distribution Licensee, respectively, under Sections 45 and 46 of the Act considering the exercise that may be required.

However, no separate Fee would be payable in case the Licensee seeks approval of the schedule of charges as a part of its Application for Tariff determination. As in other cases, no additional amount is envisaged for out-station hearings.

Existing Clause

“23. Application for inspection of Orders/ Records of the Commission: Rs 100 per day or part thereof”

Proposed Clause

“15. Application for inspection of Orders/Records of the Commission: As stipulated in the Right to information (Regulation of Fee and Cost) Rules, 2005 as amended from time to time”

Rationale for revision

The proposed revision reflects the fact that the Rules under the Right to information Act now stipulate such charges.

Existing Clause

“24. Supply of copies of documents / order of the Commission: Rs 2 per page”

Proposed Clause

“16. Supply of printed copies or digital copies of Documents / Orders/ Regulations of the Commission: As stipulated in the Right to information (Regulation of Fee and Cost) Rules, 2005 as amended from time to time”

Rationale for revision

The proposed revision reflects the fact that the Rules under the Right to information Act now stipulate such charges.

Existing Clause

“27. Applications by State Government not constituting Miscellaneous Applications: Rs 5,000”

Proposed Clause

“19. Applications by Government of Maharashtra not constituting Miscellaneous Applications: Rs. 1,000”

Rationale for revision

A Fee of Rs. 1,000 is proposed for Applications by the State Government not constituting Miscellaneous Applications, which is in line with the Fees payable for Miscellaneous Applications by entities other than Individuals.

5. New Clauses in Schedule

Application for grant of Licence:

Proposed Clause

“2. Application for grant of Licence under Section 15 of the Act: Rs. 5,00,000 as per Government of Maharashtra Notification dated 23rd March, 2009, or as amended from time to time”

Rationale for revision

The proposed Clause incorporates the Fee prescribed by Government of Maharashtra for Application for grant of Licence under Section 15 of the Act, which is presently Rs. 5 lakh vide its Notification dated 23rd March, 2009.

Fees and Charges for Maharashtra State Load Despatch Centre

Proposed Clause

“9. Application for determination of Fees and Charges of the Maharashtra State Load Despatch Centre: Rs. 5,00,000

Provided that the Fee shall be payable by the Maharashtra State Load Despatch Centre irrespective of whether such determination is undertaken upon its Application or suo moto by the Commission.”

Rationale for revision

The MYT Regulations, 2015 provide for the determination of fees and charges of the Maharashtra State Load Despatch Centre. An express provision is proposed to be made, with Fees of Rs. 5 Lakh considering the nature of such Applications.

Mid-Term Review of Maharashtra State Load Despatch Centre

Proposed Clause

“10. Application for Mid-Term Review of the Maharashtra State Load Despatch Centre during the Control Period under the Multi-Year framework: 50 per cent of the Fees specified in these Regulations for the original determination (rounded off to the nearest one hundred rupees)

Provided that the Fee shall be payable by the Maharashtra State Load Despatch Centre irrespective of whether such Review is undertaken upon its Application or suo moto by the Commission.”

Rationale for revision

A provision for payment of Application Fee of 50% of that payable for the original determination under these (Proposed) Regulations has also been introduced for the MTR.

Approval of PPA and/or Adoption of Tariff:

Proposed Clause

“12. Application for approval of Power Purchase Agreement under clause (b) of sub-Section (1) of Section 86 and/or adoption of Tariff under Section 63 of the Act:

(a) Conventional fuel-based (coal, gas, oil, etc.) Generating Plant, Hydro Power Plant (above 25 MW): Rs. 3,00,00

(b) Non-conventional and Renewable Energy, including Co-generation: Rs. 50,000”

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Rationale for revision

The Commission has proposed a Fee of Rs. 3 lakh for approval of power purchase agreement, and/or adoption of Tariff under Section 63 as above Conventional Generating Plants, and a lower Fee for Non-conventional and Renewable Energy Plants as in the past.

Sd/-
(Deepak Lad)
Member

Sd/-
(Azeez M Khan)
Member