

# HARYANA ELECTRICITY REGULATORY COMMISSION

## Notification

The 27<sup>th</sup> May, 2010

**Regulation No. HERC/ 21 / 2008 / 1<sup>st</sup> Amendment / 2010:** - In exercise of the powers conferred on it by section 181 of the Electricity Act 2003 (Act 36 of 2003), regulation 38 of the Haryana Electricity Regulatory Commission (Terms and Conditions for Determination of wheeling Tariff and Distribution & Retail Supply Tariff) Regulations, 2008 and all other powers enabling in this behalf, the Haryana Electricity Regulatory Commission makes the following regulation to amend and substitute regulation 25 of the aforesaid regulations as under:-

**1. Short Title, Commencement, and interpretation.** – (1) These Regulations may be called the Haryana Electricity Regulatory Commission (Terms and Conditions for Determination of wheeling Tariff and Distribution & Retail Supply Tariff) (1<sup>st</sup> Amendment) Regulations, 2010.

(2) These regulations shall come into force on the date of their publication in the Haryana Government Gazette.

(3) These regulations shall extend to the State of Haryana.

(4) The Punjab General Clauses Act 1898 (Act 1 of 1898) as applicable to the State of Haryana shall apply to the interpretation of these regulations.

**2. Amendment to regulation 25 (Existing regulation 25 shall be substituted with the following regulation)**

**25. Fuel Surcharge Adjustment (FSA).** – (1) The distribution licensees shall recover amount on account of increase in fuel costs from the consumers on monthly basis.

Difference in power purchase cost due to change in Hydel – thermal mix and any other power purchase related costs such as wheeling charges, reactive energy charge, open access charges, LC charges etc. can be considered at the yearend alongwith UI and purchases from un-approved sources to the extent admissible.

(2) FSA shall be calculated only in respect of approved power purchase volume for the relevant year from all sources, excluding UI (other than approved by the Commission) and hydro. For this purpose, the distribution licensees shall get the volume of monthly sales of electricity for the ensuing year approved from the Commission in their ARRs. Power purchase volume in respect of unmetered agriculture consumers shall be only on the basis of meter readings of the segregated agriculture feeders vis-à-vis volume of sales approved by the Commission.

(3) For the purpose of recovery of FSA, variable power purchase cost shall include all the bills paid and credits received by the distribution licensees, to the suppliers of the power from the approved sources, during the previous month irrespective of the period to which they pertain. This shall include arrears and refunds, if any, not settled earlier.

(4) In case of negative FSA, the credit shall be given to the consumers by setting off the minus figure against the positive figure of FSA being charged from the consumers. In other words, credit of FSA shall be given only against FSA so that the base tariff determined by the Commission shall effectively remains the same in line with the Electricity Act, 2003.

(5) Recovery of per unit FSA shall not be more than 10% of the approved per unit variable power purchase cost, restricted to the power purchase volume at approved distribution loss level in the relevant month worked out as per sub regulation – 2 above

(6) For determining variable power purchase cost in respect of the sources, except UI and hydro, where two part tariff has not been approved, the weighted average variable cost of other approved sources shall be taken into account.

(7) Per unit rate of FSA shall be worked out in Paise after rounding off to the next place.

(8) Only allowed volume of distribution losses shall be taken into account for working out FSA.

(9) In case of MMC, FSA shall be charged only on actual units consumed by the consumer during the relevant month in addition to the MMC amount.

(10) The amount of FSA worked out as per sub regulation (5) shall be recovered by the distribution licensee (s) by allocating FSA to each class of consumers using the revenue allocation factors for the respective class contained in the approved tariffs of the relevant Financial Year

(11) In case of under recovery of FSA due to 10% restriction, the distribution licensee shall start recovering FSA upto 10% as per prescribed mechanism and submit the requisite details, alongwith requisite documentary evidence, for recovery of balance FSA to the Commission for its consideration and further orders.

(12) The distribution licensees shall submit the details relating to FSA recovery to the Commission on the following format alongwith documentary evidence alongwith their ARRs.

A - Approved power purchase volume from approved sources (Units)	
B - Approved variable power purchase cost (Rs.)	
C - Actual total power purchase (units)	
D - Power purchased from unapproved sources (Units) (Source wise details including frequency at which UI draws were made)	
E - Actual variable cost of power purchase from approved sources (Rs.)	
F - Actual variable cost of power purchase from unapproved sources (Rs.)	
G - Total FSA (Rs.)	
H - FSA recovered till the date of filing (Rs.)	
I - FSA to be recovered after the date of filing (Rs.)	
J - Rate per unit at which FSA is being recovered (Rs. / kWh)	
K - Approved sales (Consumer category wise / month wise) (Units)	

L - Actual sales (Consumer category wise / month wise) (Units)	
Note: All the source wise details should be supported with requisite documentary evidence / invoices raised by the generators / suppliers of the power.	

(13) No FSA recovery should normally be allowed to spill over from one FY to another FY. The unrecovered FSA for the previous Financial Year, details of which have been provided to the Commission by the distribution licensee, may either form part of variable cost of power purchase for the next Financial Year or may be allowed as FSA as the Commission may decide.

(14) In case the Government of Haryana decides to provide subsidy on FSA to a particular consumer category then, after seeking requisite details from the distribution licensees, the amount of subsidy equivalent to the FSA recoverable from the concerned consumer category, shall be deposited in advance by it. Otherwise the recovery shall be affected from the consumer through electricity bills. It shall be the responsibility of the distribution licensees to seek prior approval of the State Government in this regard and maintain appropriate record of the same.

By Order of the Commission

Secretary  
Haryana Electricity Regulatory Commission