

**Discussion Paper for finalization of the Haryana Electricity Regulatory Commission
(Terms and Conditions for determination of Tariff from Renewable Energy Sources,
Renewable Purchase Obligation and Renewable Energy Certificate) Regulation, 2017.**

Brief Background

1. Section 61 read with Section 181 (2) of the Electricity Act, 2003 casts statutory obligation on the State Commission to promote co-generation and generation of electricity from renewable sources of energy and to make Regulations by way of notifications to carry out the provisions of the said Act.

2. In exercise of the powers conferred on it under Section 181 of the Act and all other powers enabling it in this behalf, the Commission had notified the Haryana Electricity Regulatory Commission (Terms and Conditions for determination of Tariff from Renewable Energy Sources, Renewable Purchase Obligation and Renewable Energy Certificate) Regulation, 2010 which came into effect from the date of its notification in the Haryana Government Gazette i.e. 3.02.2011. Subsequently some of the provisions of the said Regulations were amended / new clauses added by way of 1st Amendment dated 5th September, 2011; 2nd Amendment dated 25th November, 2011, 3rd Amendment dated 15th July, 2014 ; 4th Amendment dated 12th August, 2015 and 5th Amendment dated 5th October, 2016, after following the due process prescribed for the purpose.

Regulation 4 of the Principal Regulations i.e. Haryana Electricity Regulatory Commission (Terms and conditions for determination of tariff for renewable energy sources, renewable purchase obligations and renewable energy certificates) Regulations, 2010, provides that revision of the Regulations is to be undertaken six months prior to the end of the first Control Period (emphasis supplied). Further, the Control Period or

Review Period is defined under sub-regulation (9) of Regulation 2 of the Principal Regulations i.e. from FY 2010-11 to FY 2012-13.

In view of the above the Commission had vide suo motu proceedings amended the regulation 4 and had determined the 2nd Control Period of four years of which the first year was to be the FY 2014-15.

3. The Commission, after hearing the Interveners on 08.09.2016, had passed an Order dated 28.09.2016. The relevant part of the said Order is as under:-

“As large numbers of issues were raised regarding RPO trajectory, wheeling/banking, benchmarking of capital cost, escalation factor, discounting rate, solar power projects etc. which is likely to take some more time to examine and finalise. Hence, the present Order is limited to finalisation of the proposed draft Regulations pertaining to Waste to Energy Projects. Accordingly, the Commission, in the present Order, has dealt with the comments/objections/suggestions germane to the Waste to Energy (WtE) Regulations as under:-“

Accordingly, the Commission had finalized and notified the norms / Regulations for Municipal Solid Waste ((WtE) Regulations vide the ibid Order by enacting 5th Amendment to the HERC RE Regulations.

4. Hence, the Commission has now to deal with the regulations / Parameters for the RE Projects to be commissioned in Haryana other than processed Waste to Energy Projects. As during the earlier proceedings and thereafter a large number of objections / suggestions were received from the stakeholders, it would be appropriate to recast the HERC RE Regulations including consolidation of various amendments up to the fifth amendment of the RE Regulations, 2010 and also after taking into account the CERC (Terms and Conditions for Tariff determination from Renewable Sources) Regulations, 2017 dated 16th February, 2017 i.e. which has been notified subsequent to the hearing held in the matter by the HERC on 8.09.2016.

- 5. In view of the above, the following discussion paper has been prepared for public / Stakeholders consultations. Based on the feedback received on the discussion paper, the HERC RE Regulations, 2017 shall be given a final shape by the Commission.**

Chapter – 1 **General**

1. Short title, commencement, extent of application and interpretation._

(1) These Regulations may be called the Haryana Electricity Regulatory Commission (Terms and Conditions for determination of Tariff from Renewable Energy Sources, Renewable Purchase Obligation and Renewable Energy Certificate) Regulations, 2017.

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

(3) These regulations shall extend to all the renewable energy project developers and obligated entities in the State of Haryana.

2. Definitions. –

(1) In these regulations, unless the context otherwise requires,

(1) 'Act' means the Electricity Act, 2003 (36 of 2003);

(2) 'Auxiliary energy consumption' or 'AUXe' in relation to a period in case of a generating station means the quantum of energy consumed by auxiliary equipments of the generating station, and transformer losses within the generating station, expressed as a percentage of gross energy generated at the generator terminal of the generating station during the period;

(3) 'Biomass' means wastes produced during agricultural and forestry operations (for example straws and stalks) or produced as a by-product of processing operations of agricultural produce (e.g., husks, shells, deoiled cakes, etc); wood produced in dedicated energy plantations or recovered from wild bushes/weeds whichever permissible; and the wood waste produced in some industrial operations;

(4) 'Capital cost' means the capital cost as defined in the relevant sub regulations of these Regulations;

(5) 'Central Agency' means the agency operating the National Load Dispatch Centre or such other agency as the Central Commission may designate from time to time;

(6) "Certificate" means the renewable energy certificate issued by the Central Agency in accordance with the procedures prescribed by it and under the provisions specified in the Central Electricity Regulatory Commission (Terms and Conditions for recognition and issue of Renewable Energy Certificate for Renewable Energy Generation) Regulations, 2009 as amended from time to time.

(7) 'Commission' means the Haryana Electricity Regulatory Commission;

(8) 'Conduct of Business Regulations' means the Haryana Electricity Regulatory Commission (Conduct of Business) Regulations, 2004 as amended from time to time;

(9) 'Control Period or Review Period' means the period during which the norms for determination of tariff specified in these regulations shall remain valid;

(10) 'Floor Price' means the minimum price determined by the Central Commission in accordance with these regulations at and above which the renewable energy certificate can be traded in the power exchange;

(11) 'Forbearance price' means the ceiling price as determined by the Central Commission in accordance with the Central Electricity Regulatory Commission (Terms and Conditions for recognition and issue of Renewable energy Certificate for Renewable Energy Generation) Regulations, 2010, as amended from time to time, within which the Certificate can be traded in power exchange;

(12) 'Gross calorific value' or 'GCV' in relation to a fuel used in generating station means the heat produced in kCal by complete combustion of one kilogram of solid fuel or one litre of liquid fuel or one standard cubic meter of gaseous fuel, as the case may be;

(13) 'Gross station heat rate' or 'GHR' means the heat energy input in kCal / kWh required to generate one kWh of electrical energy at generator terminals of a renewable energy generating station;

(14) 'Hybrid Solar Thermal Power Plant' means the solar thermal power plant that uses other forms of energy input sources along with solar thermal energy for electricity generation, and wherein not less than 75% of electricity is generated from solar energy component;

(15) 'Installed capacity' or 'IC' means the summation of the name plate capacities of all the units of the generating station or the capacity of the generating station (reckoned at the generator terminals);

(16) 'Inter-connection Point' shall mean interface point of renewable energy generating facility with the transmission system or distribution system, as the case may be:

a) in relation to wind energy projects and Solar Photovoltaic Projects, inter-connection point shall be line isolator on outgoing feeder on HV side of the pooling sub-station;

b) in relation to small hydro power, biomass power and non fossil fuel based cogeneration power projects and Solar Thermal Power Projects the, inter-connection point shall be line isolator on outgoing feeder on HV side of generator transformer;

(17) 'Infirm power' means the power generated from renewable sources, the hourly variation of which is dependent upon nature's phenomenon like sun, cloud, wind, etc., that cannot be accurately predicted;

(18) “Levelling Tariff” means the tariff calculated by carrying out levellisation for ‘useful life’ of each technology considering the discount factor for time value of money.

(19) ‘MNRE’ means the Ministry of New and Renewable Energy of the Government of India;

(20) “Municipal Solid Waste” means and includes commercial and residential wastes generated in a municipal or notified area in either solid or semi solid form excluding industrial hazardous wastes but including treated bio-medical waste;

(21) ‘Non fossil fuel based co-generation’ means the process in which more than one form of energy (such as steam and electricity) are produced in a sequential manner by use of biomass including Bagasse provided the project may qualify to be a co-generation project if it fulfills the eligibility criteria as specified in these Regulations;

(22) ‘Obligated entity’ means an entity in the State of Haryana which is mandated to fulfill renewable purchase obligation under these Regulations and include the following:-

- i) Distribution licensee(s)
- ii) Open Access consumers including short term open access consumers, and
- iii) Conventional fuel based Captive Power Plant.of 5 MW and above.

(23) 'Operation and maintenance expenses' or 'O&M expenses' means the expenditure incurred on operation and maintenance of the project, or part thereof, and includes the expenditure on manpower, repairs, spares, consumables, insurance and overheads;

(24) “Power Exchange’ means any exchange operating as the power exchange for electricity in terms of the orders issued by the Central Commission;

(25) 'Preferential tariff' or "Feed in Tariff" means the tariff fixed by the Commission for sale of energy from a generating station based on renewable energy sources to a distribution licensee;

(26) 'Project' means a generating station or the evacuation system upto inter-connection point, as the case may be, and in case of a small hydro generating station includes all components of generating facility such as dam, intake water conductor system, power generating station and generating units of the scheme, as apportioned to power generation;

(27) 'Renewable Energy' means the grid quality electricity generated from renewable energy sources;

(28) 'Renewable Energy Power Plants' means the power plants other than the conventional power plants generating grid quality electricity from renewable energy sources;

(29) 'Renewable Energy Sources' means renewable sources such as small hydro, wind, solar including its integration with combined cycle, biomass, bio fuel cogeneration, urban or municipal waste and other such sources as approved by the MNRE;

(30) 'Small Hydro' means Hydro Power projects with a station capacity up to 25 MW or as specified in the National Tariff Policy or by the Central Government from time to time;

(31) 'Solar PV power' means the Solar Photo Voltaic power project that uses sunlight for direct conversion into electricity through Photo Voltaic Cells;

(32) 'Solar Thermal power' means the Solar Thermal power project that uses sunlight for conversion of heat energy into electricity through Concentrated Solar Power technology based on either line focus or point focus principle;

(33) ‘State agency’ means the agency in the State of Haryana to be designated by the Commission to act as the agency for accreditation and recommending the renewable energy projects for registration and to undertake functions under these regulations;

(34) ‘Tariff period’ means the period for which tariff / price for sale of power is determined by the Commission on the basis of norms specified in these Regulations;

(35) ‘Useful Life’ in relation to a unit of a generating station including evacuation system shall mean the following duration from the date of commercial operation (COD) of such generation facility, namely:

- (a) Wind energy power project 25 years
- (b) Biomass power project, non-fossil fuel cogeneration 20 years
- (c) Small Hydro Plant 35 years
- (d) Solar PV/Solar thermal power plants 25 years
- (e) Processed Municipal Solid Waste (MSW) WtE based power projects – 20 years
- (f) Biomass gasifier power plants 20 years
- (g) Biogas power plants 20 years

(36) ‘Year’ means a financial year.

(2) All other expressions used herein but not specifically defined herein but defined in the Act shall have the meaning assigned to them in the Act. The other expressions used herein but not specifically defined in the regulations or in the Act but defined under Haryana Electricity Reform Act, 1997 (Act 10 of 1998) or the Indian Electricity Grid Code or the Haryana Grid Code or the Haryana Electricity Regulatory Commission (Terms and Conditions for determination of Tariff for Generation, Transmission, Wheeling and Distribution & Retail Supply under Multi Year Tariff) Regulations, 2012, as amended / reenacted from time to time, shall have the meanings assigned to them respectively in the Haryana Electricity Reform Act, 1997 (Act 10 of 1998) or the Indian Electricity Grid Code or the Haryana Grid Code or any other relevant Regulations in vogue , provided that such definitions in the Haryana Electricity Reform Act, 1997 are not inconsistent with the provisions of the Electricity Act, 2003;

3. Eligibility Criteria. – For the purpose of these regulations a project shall be treated as renewable energy power project only if it meets the following criteria:-

(a) Wind power project – located at the wind sites having minimum annual mean Wind Power Density (WPD) of 200 Watt/m² measured at hub height of 100 meters and using new wind turbine generators;

(b) Small hydro project – located at the sites approved by State Nodal Agency / State Government / self identified sites using new plant and machinery, and installed power plant capacity to be lower than or equal to 25 MW at single location;

(c) Biomass power project – Biomass power projects using new plant and machinery using biomass fuel sources,

(d) Processed Municipal Solid Waste based WtE power projects – The project shall qualify to be termed as Municipal Solid Waste based WtE power projects, if it is using new plant and machinery and using Municipal solid waste as fuel source for generation of electricity.

(e) Non-fossil fuel based co-generation project: The project shall qualify to be termed as a non-fossil fuel based co-generation project, if it is using new plant and machinery and is in accordance with the definition and also meets the qualifying requirement outlined below:-

Topping cycle mode of co-generation – Any facility that uses non-fossil fuel input for the power generation and also utilizes the thermal energy generated for useful heat applications in other industrial activities simultaneously.

Provided that for the co-generation facility to qualify under topping cycle mode, the sum of useful power output and one half the useful thermal output be greater than 45% of the facility's energy consumption, during season.”

Explanation. - For the purposes of this clause,

(i) 'Useful power output' is the gross electrical output from the generator. There will be an auxiliary consumption in the cogeneration plant itself (e.g. the boiler feed pump and the FD/ID fans). In order to compute the net power output it would be necessary to subtract the auxiliary consumption from the gross output. For simplicity of calculation, the useful power output is defined as the gross electricity (kWh) output from the generator.

(ii) 'Useful Thermal Output' is the useful heat (steam) that is provided to the process by the cogeneration facility.

(iii) 'Energy Consumption' of the facility is the useful energy input that is supplied by the fuel (normally bagasse or other such biomass fuel).

(f) Solar PV and Solar Thermal Power Projects – Based on Technologies approved by MNRE / HAREDA.

(g) Biomass Gasifier Power Projects - The projects shall qualify as biogas based power project provided it is using new plant and machinery and having a grid connected system that uses 100% syngas engine with MNRE approved gasification technology and shall use non fossil fuel as approved by MNRE.

(h) Biogas Power Projects - The projects shall qualify as biogas based power project provided it is using new plant and machinery and having a grid connected system that and uses 100% biogas fired engine with MNRE approved technology.

Chapter 2 Norms

4. Control Period or Review Period. -The Control Period or Review Period under these Regulations shall be of three years from the date of notification of these regulations up to 31st March, 2020.

Provided that the benchmark capital cost and tariff for Solar PV (rooftop, ground mounted, canal based / Water Works solar projects, wind power, small hydro shall be determined on case specific basis only. The Discoms/HAREDA may determine an indicative tariff, aligned to the prevailing market conditions, and submit the same for approval of the Commission prior to initiating competitive bidding / reverse bidding process.

Provided further that the tariff determined / discovered and approved by the Commission for the RE projects commissioned / to be commissioned during the Control Period, shall continue to be applicable for the entire duration of the Tariff Period as specified in Regulation 5 below.

Provided also that the revision in Regulations for next Control Period shall be undertaken at least six months prior to the end of the first Control Period and in case Regulations for the next Control Period are not notified until commencement of next Control Period, the tariff norms as per these Regulations shall continue to remain applicable until notification of the revised Regulations and the Control Period shall be deemed to have been extended up to the date of notification of the next Control Period.

5. Tariff Period. – (1) The Tariff Period for Renewable Energy power projects shall generally correspond to their respective project life or reckoned with the period provided in the PPA as the case may be.

(2) Tariff period under these Regulations is for Renewable Energy Power Plants with entirely new plant and machinery. The first year tariff shall be applicable from the CoD

of the project and shall continue for 12 months from the CoD and thereafter the tariff for the second year shall be applicable on year to year basis i.e. for first 12 months from CoD, first year tariff shall be applicable, then for next twelve months second year tariff shall be applicable and so on and each period of such 12 months shall be termed as the tariff year.

(3) Tariff determined as per these Regulations shall be applicable for Renewable Energy power projects, only for the duration of the Tariff Period as stipulated under Regulation 5(1).

(4) The PPA (s) signed by the distribution licensee (s) on the basis of tariff determined by the Commission in its orders prior to the notification of these Regulations on renewable energy shall remain valid for the tariff period as per the PPA. Such cases shall not be reopened in view of the norms provided in these regulations.

6. Project Specific tariff. - (1) Project specific tariff, on case to case basis, may also be determined by the Commission for the following types of projects:

- (a) Processed Municipal Solid Waste (WtE) Projects
- (b) Poultry litter / Cow dung etc.
- (c) Mixed feed
- (d) small / micro hydro power projects of 25 MW and below
- (e) Wind
- (d) Any other new renewable energy technologies approved by MNRE
- (e) The renewable energy projects which have been commissioned before the notification of these Regulations but for which no power purchase agreement has been signed until the date of notification of these Regulations.
- (f) Solar PV and Solar Thermal Power projects, if a project developer opts for project specific tariff: Provided that the Commission while determining the project specific tariff for Solar PV and Solar Thermal shall be guided by the provisions of these Regulations.
- (g) Hybrid Solar Thermal Power plants
- (h) Biomass project other than that based on Rankine Cycle technology application with water cooled / air cooled condenser.

(2) Determination of Project specific Tariff for generation of electricity from such renewable energy sources shall be in accordance with such terms and conditions as stipulated under relevant Orders of the Commission.

Provided that the financial norms as specified under Chapter-3 of these Regulations, except for capital cost, shall be ceiling norms while determining the project specific tariff.

7. Petition and proceedings for determination of tariff. - (1) The Commission shall determine the generic tariff on the basis of suo-motu petition at least six months in advance at the beginning of each year of the Control period for renewable energy technologies for which norms have been specified under the Regulations.

(2) A petition for determination of project specific tariff shall be accompanied by such fee as may be determined by regulations and shall be accompanied by the following:-

- a) Information in forms 1.1, 1.2, 2.1 and 2.2 as the case may be, and as appended to these regulations;
- b) Detailed project report outlining technical and operational details, site specific aspects, premise for capital cost and financing plan etc.
- c) A statement of all applicable terms and conditions and expected expenditure for the period for which tariff is to be determined.
- d) A statement containing full details of calculation of any subsidy and incentive received, due or assumed to be due from the Central Government and/or State Government. This statement shall also include the proposed tariff calculated without consideration of the subsidy and incentive.
- e) Any other information that the Commission may require the petitioner to submit.

(3) The proceedings for determination of tariff shall be in accordance with the HERC (Conduct of Business) Regulations 2004, as amended from time to time.

8. Tariff Structure. -(1) The tariff for renewable energy technologies shall be single part tariff consisting of the following fixed cost components:-

- (a) Return on equity capital;
- (b) Interest on loan capital;
- (c) Depreciation;
- (d) Interest on working capital including margin money;
- (e) Operation and maintenance expenses;

Provided that for renewable energy technologies having fuel cost component, like biomass power projects and non-fossil fuel based cogeneration, single part tariff with two components, fixed cost component and fuel cost component, shall be determined. The fuel cost component may be subjected to escalation for computing levelled generic tariff for entire useful life of the project as provided in these Regulations.

9. Tariff Design. - (1) The generic tariff shall be determined on levelled basis for the entire Tariff Period.

Provided that for renewable energy technologies having single part tariff with two components, tariff shall be determined on levelled basis considering the year of commissioning of the project for fixed cost component while the fuel cost component shall be specified on year of operation basis.

(2) For the purpose computation of levelled tariff, the discount factor equivalent to weighted average cost of capital as per the formula specified in these Regulations shall be considered.

(3) Levelled tariff shall be specified for the period equivalent to the 'Tariff Period'.

10. Despatch principles for electricity generated from Renewable Energy Sources. –

(1) All renewable energy power plants except for biomass power plants with installed capacity of 10 MW and above, and non-fossil fuel based cogeneration plants shall be treated as 'MUST RUN' power plants and shall not be subjected to 'merit order despatch' principles.

(2) The biomass power generating station with an installed capacity of 10 MW and above, non-fossil fuel based co-generation projects and processed municipal solid base WtE power projects shall be subjected to scheduling and dispatch code as specified under Haryana Grid Code (HGC) and other relevant regulations including amendments hereto.

Chapter 3 Financial Principles

11. **Capital Cost.** - The norms for the Capital cost as specified in the subsequent technology specific chapters shall be inclusive of all capital work including plant and machinery, initial spares, civil work, erection and commissioning, financing and interest during construction, and evacuation infrastructure up to inter-connection point.

Provided that for project specific tariff determination, the generating company shall submit the break-up of capital cost items along with its petition. Provided further that cost of land shall not form part of Capital Cost in case of land obtained on lease.

12. **Debt Equity Ratio.** - (1) For generic tariff to be determined based on suo motu petition, the debt equity ratio shall be 70: 30.

(2) For Project specific tariff, if the equity actually deployed is more than 30% of the capital cost, equity in excess of 30% shall be treated as normative loan.

Provided that where equity actually deployed is less than 30% of the capital cost, the actual equity shall be considered for determination of tariff. Provided further that the equity invested in foreign currency shall be designated in Indian rupees on the date of each investment.

13. **Loan and Finance Charges.** - (1) For the purpose of determination of tariff, loan tenure of 13 years shall be considered.

(2) (a) The loans arrived at in the manner indicated above shall be considered as gross normative loan for calculation for interest on loan. The normative loan outstanding as on 1st April of every year shall be worked out by deducting the cumulative repayment up to March 31st of the previous year from the gross normative loan.

(b) For the purpose of computation of tariff, the normative interest rate shall be considered as the Base Rate of State Bank of India (SBI) prevalent on 1st April of the relevant year plus a margin of up to 200 basis points i.e. 2%.

(c) Notwithstanding any moratorium period availed by the generating company, the repayment of loan shall be considered from the first year of commercial operation of the project and shall be equal to the annual depreciation allowed.

14. Depreciation. – (1) The value base for the purpose of depreciation shall be the Capital Cost of the asset admitted by the Commission. The salvage value of the asset shall be considered as 10% and depreciation shall be allowed up to maximum of 90% of the Capital Cost of the asset.

(2) Depreciation per annum shall be based on ‘Differential Depreciation Approach’ over loan tenure and period beyond loan tenure over useful life computed on ‘Straight Line Method’. The depreciation rate for the first 13 years of the Tariff Period shall be 5.38% per annum and the remaining depreciation shall be spread over the remaining useful life of the project from 14th year onwards.

(3) Depreciation shall be chargeable from the first year of commercial operation.

Provided that in case of commercial operation of the asset for part of the year, depreciation shall be charged on pro rata basis.

15. Return on Equity. - (1) The value base for the equity shall lower of the two either 30% of the capital cost or actual equity (in case of project specific tariff determination) as determined under Regulation.

(2) The normative Return on Equity shall be as under:-

- a) 14% per annum calculated on normative Equity Capital.
- b) MAT/Corporate Tax applicable shall be considered as pass through.

Provided that the applicable MAT / Corporate Tax shall be separately invoiced as per the actual paid at the rate as declared by the Income Tax Department. The Generator shall raise the bill for reimbursement of MAT / Corporate Tax applicable on Return on Equity in 12 equal installments which shall be payable by the beneficiaries.

16. Interest on Working Capital. - (1) The Working Capital requirement in respect of wind energy projects, small hydro power, solar PV and Solar thermal power projects and Processed Municipal Solid Waste (WtE) projects shall be computed in accordance with the following :-

- a) Operation & Maintenance expenses for one month;
- b) Receivables equivalent to 2 (two) months of fixed and energy charges for sale of electricity calculated on the normative CUF / PLF;
- c) Maintenance spare @ 15% of operation and maintenance expenses.

(2) The Working Capital requirement in respect of biomass power projects (Rankine Cycle Technology), Biomass Gasifier / Bio gas based projects and bagasse / non-fossil fuel based co-generation projects shall be computed as under:-

- a) Fuel costs for four months at normative PLF;
- b) Operation & Maintenance expense for one month;
- c) Receivables equivalent to 2 (Two) months of fixed and variable charges for sale of electricity calculated on the normative PLF;
- d) Maintenance spare @ 15% of operation and maintenance expenses.

(3) Interest on Working Capital, for the purpose of tariff determination, shall be computed at the average of the base rate of SBI prevailing during the last available six months , for loan tenor of up to one year, of the previous year plus an appropriate margin not exceeding 200 basis points i.e. 2%.

17. Operation and Maintenance Expenses. - (1) 'Operation and Maintenance or O&M expenses' shall comprise repair and maintenance (R&M), establishment including employee expenses, and administrative and general expenses.

(2) Operation and maintenance expenses shall be determined for the Tariff Period based on normative O&M expenses specified by the Commission subsequently in these Regulations for the first Year of the Control Period.

(3) Normative O&M expenses allowed during first year of the Control Period under these Regulations shall be escalated at the rate of 5.72% per annum over the Tariff Period.

18. Rebate. – (1) For payment of bills of the generating company through letter of credit, a rebate of 2% shall be allowed.

(2) Where payments are made other than through letter of credit within a period of one month of presentation of bills by the generating company, a rebate of 1% shall be allowed.

19. Late payment surcharge. – In case the payment of any bill for charges payable under these regulations is delayed beyond a period of 60 days from the date of billing, a late payment surcharge at the rate of 1.25% per month shall be levied by the generating company.

20. Sharing of CDM Benefits. _ (1) The proceeds of carbon credit from approved CDM project, after deduction of expenses incurred by the generating company for registration and approval of the project as CDM project shall be shared between generating company and concerned beneficiaries in the following manner:-

a) 100% of the gross proceeds on account of CDM benefit to be retained by the project developer in the first year after the date of commercial operation of the generating station i.e. 12 months from CoD;

b) In the second year, the share of the beneficiaries shall be 10% which shall be progressively increased by 10% every year till it reaches 50%, where after the proceeds shall be shared in equal proportion, by the generating company and the beneficiaries.

21. Subsidy or incentive by the Central / State Government. - The Commission shall take into consideration any incentive or subsidy offered by the Central or State Government, available to the generating company, for the renewable energy power plants while determining tariff under these Regulations.

22. Taxes and Duties. -Tariff determined under these regulations shall be exclusive of taxes and duties as may be levied by the appropriate Government. Any tax / duty levied by the appropriate Government shall be allowed as pass through on actual incurred basis.

Chapter 4
Technology specific parameters for Wind Energy

23. **Capital Cost.** - (1) The capital cost for wind energy project shall include Wind turbine generator including its auxiliaries, site development charges and other civil works, transportation charges, evacuation cost up to inter-connection point, financing charges and IDC. Provided cost of land shall not form part of Capital Cost in case of land obtained on lease.

(2) Given the limited potential for setting up wind energy projects in Haryana, the Commission, on an application received from a prospective wind power generator / developer and willingness of the Disocoms / HPPC to purchase such power, shall determine capital cost for wind energy projects, O&M expenses and tariff based on the market trends prevailing during the relevant year i.e. scheduled CoD of such projects on case specific basis only.

24. **Capacity Utilization Factor.** - (1) CUF norms for the control period shall be as follows:-

Annual Mean Wind Power Density (W/m ²)	CUF
Up to 220	22%
221- 275	24%
276- 330	28%
331- 440	33%
441 +	35%

Provided that the number of hours for calculation of CUF shall be 8760 hours.

(2) The annual mean wind power density specified above shall be measured at 100 meter hub-height.

(3) For the purpose of classification of wind energy project into particular wind zone class, the State-wise wind power density map prepared by Centre for Wind Energy Technology (C-WET) / MNRE / NIWE , shall be considered.

Provided that the Commission may by notification amend the schedule from time to time, based on MNRE guidelines / NIWE for wind measurement or by the private developer.

Provided in the case of wind measurement data submitted by wind power developer the wind the same shall be acceptable in case it is validated by NIWE.

Chapter 5
Technology specific parameters for Small Hydro Project

27. **Capital Cost.** - (1) The indicative capital cost for small hydro projects during the Control beginning the FY 2017-18, unless reviewed earlier by the Commission shall be as under:-

Size of project	Capital Cost (Rs. Crore / MW)
Below 5 MW	7.79
5 MW to 25 MW	7.07

Provided in the case of small hydro power projects the Commission shall determine project specific tariff only and accordingly determine project specific capital cost as well as CUF, if required, based on case specific hydrological data.

28. **Capacity Utilization Factor.** - Capacity Utilization Factor (CUF) for the small hydro projects shall be 56%. The normative CUF shall be net of free power to the State, if any, and any quantum of free power, over and above the free power notified by the Central Government, if committed by the developer over and above the normative CUF, shall not be factored into the tariff. Provided further that the number of hours for calculation of CUF shall be 8760 hours.

29. **Auxiliary Consumption.** - Normative Auxiliary Consumption, including losses, for the small hydro projects shall be 1.0%.

30. **Operation and Maintenance Expenses.** - (1) Normative O&M expenses for the first year of the Control period (i.e. FY 2017-18) shall be as under:-

Project size	O&M Expenses (Rs. Crore / MW)
Below 5 MW	0.29
5 MW to 25 MW	0.21

(2) Normative O&M expenses allowed under these Regulations shall be escalated at the rate of 5.72% per annum for the Tariff Period for the purpose of determination of tariff under these Regulations.

Chapter 6

Technology specific parameters for Biomass based Power Projects

31. **Technology Aspect.** - The norms for tariff determination specified hereunder are for biomass power projects based on Rankine Cycle technology application using water cooled condenser and air cooled condenser.

32. **Capital Cost.** – (1) The normative capital cost, during the control period under these Regulations, for the biomass power projects shall be Rs. 5.59 MW (Water Cooled Condenser) and Rs. 6.0 Crore / MW for projects using Air Cooled Condenser.

Provided for the project using single fuel i.e. rice straw / stubble for generation of power the Capital Cost, during the control period, shall be Rs. 6.10 Crore / MW (Water Cooled Condenser) and Rs. 6.52 Crore / MW for projects having air cooled condenser.

33. **Plant Load Factor.** - (1) Threshold Plant Load Factor for determining fixed charge component of Tariff shall be as under:-

1. 1st Year of Operation including Stabilization: 65%
3. From 2nd Year onwards: 80 %

34. **Auxiliary Energy Consumption.** - The auxiliary energy consumption shall be 10% in the case of projects equipped with water cooled condenser and 12% for air cooled condenser, for the purpose of tariff determination.

35. **Station Heat Rate.** - The Station Heat Rate for biomass power projects shall be 4126 kCal / kWh and 4063 Kcal / kWh for projects equipped with travelling grate boiler and AFBC boiler respectively.

36. **Operation and Maintenance Expenses.** - (1) Normative O&M expenses for the first year of the Control period (i.e. FY 2017-18) shall be Rs. 0.40 Crore /MW.

(2) Normative O&M expenses allowed at the commencement of the Control Period (i.e. FY 2017-18) under these Regulations shall be escalated at the rate of 5.72% per annum.

37. **Fuel Mix.** -(1) The biomass power plant shall be designed in such a way that it uses different types of non-fossil fuels available within the vicinity of biomass power project such as crop residues, agro-industrial residues, forest residues etc. and other biomass fuels as may be approved by MNRE.

(1) The Biomass Power Generating Companies shall ensure fuel management plan to ensure adequate availability of fuel to meet the respective project requirements.

38. **Use of Fossil Fuel** shall not be permitted. The Project developer shall furnish monthly fuel (biomass mix) usage statement and monthly fuel (biomass mix) procurement statement duly certified by Chartered Accountant to the beneficiary (with a copy to appropriate agency appointed by the Commission for the purpose of monitoring fuel consumption) for each month, along with the monthly energy bill.

(2) Non-compliance with the condition of fossil fuel usage by the project developer, during any financial year, shall result in withdrawal of applicability of tariff as per these Regulations for such biomass based power project. In such cases the PPA(s) shall be terminated and the Discoms (beneficiaries) shall be under no obligation to make any payments for the power supplied by the seller in breach of the regulation on fuel usage.

39. **Calorific Value.** - The Calorific Value of the biomass fuel used for the purpose of determination of tariff shall be 3100 (kCal/kg).

40. **Fuel Cost.** –Biomass fuel price during first year of the Control Period shall be Rs. 3270 /MT and shall be escalated at the rate of 5% per annum for arriving at the levellised tariff for the entire useful life of the project.

Chapter 7
Technology specific parameters for Non-fossil fuel based Cogeneration Projects

41. **Technology Aspect.** - A project shall qualify as a non-fossil fuel based Co-generation project, if it is in accordance with the eligibility criteria as specified under these Regulations.

42. **Capital Cost.** - The normative capital cost for the non-fossil fuel based cogeneration projects shall be Rs. 4.925 Crores/MW during the control period, unless reviewed earlier by the Commission.

43. **Plant Load Factor.** -(1) For the purpose of determining fixed charge, the plant load factor for non-fossil fuel based cogeneration projects shall be computed on the basis of plant availability for number of operating days considering operations during crushing season and off-season as specified under sub regulation (2) below and load factor of 92%.

(2) The number of operating days shall be 150 days (crushing) + 60 days (off-season) = 210 days operating days and the Plant Load Factor shall be 53%.

44. **Auxiliary Energy Consumption.** - The auxiliary energy consumption factor shall be 8.5% for the purpose of tariff determination.

45. **Station Heat Rate.** - The Station Heat Rate of 3600 kCal / kWh for power generation component alone shall be considered for computation of tariff for non-fossil fuel based Cogeneration projects.

46. **Calorific Value.** - The Gross Calorific Value for Bagasse shall be considered as 2250 kCal/kg.

47. **Fuel Cost.** – (1) The price of Bagasse shall be Rs. 2307/ MT and shall be and shall be escalated at the rate of 5% per annum for determination of levellised tariff for the entire useful life of the project.

48. Operation and Maintenance Expenses. - (1) Normative O&M expenses during first year of the Control Period shall be Rs. 0.21 Crore / MW.

(2) The normative O&M expenses allowed at the commencement of the Control Period i.e. the FY 2017-18 under these Regulations shall be escalated at the rate of 5.72% per annum.

Chapter 8

Technology specific parameters for Solar PV Power Project

49. **Technology Aspects.**_ Norms for Solar Photovoltaic (PV) power under these Regulations shall be applicable for grid connected PV systems that directly convert solar energy into electricity and are based on the technologies such as crystalline silicon or thin film etc. as may be approved by MNRE. The Commission shall not determine generic tariff under these Regulations and only project specific tariff, if required, shall be determined.

Provided that the Discoms / HAREDA may work out indicative tariff, aligned with the prevailing market trends and submit the same for approval of the Commission prior to initiating competitive bidding / reverse bidding process.

Provided that the norms including Capital Cost, CUF, Auxiliary Energy consumption, O&M expenses etc. and the tariff thereto for Solar Pv / Thermal / Rooftop / Canal top / Water works, as per the technology approved by the MNRE, shall be determined on project specific basis depending on the prevalent market trend only if required i.e. in case the competitive bidding route for any reason does not take effect. The broad guiding parameters shall be as under:-

50. **Capacity Utilisation Factor.** -The Capacity utilisation factor for Solar PV project shall be 19%. Provided that the Commission may deviate from above norm in case of project specific tariff determination.

51. **Operation and Maintenance Expenses.** - (1) The O&M Expenses shall be determined based on prevalent market conditions.

(1) Normative O&M expenses allowed at the commencement of the Control Period under these Regulations shall be escalated at the rate of 5.72% per annum.

(2) **Auxiliary Energy Consumption.**_ The auxiliary energy consumption shall be 0.25% of the gross generation.

Chapter 9
Technology specific parameters for Biomass Gasifier based Power Project

52. **Technology Aspects.**_ (1) A process achieved by reacting biomass at a high temperatures without combustion / incomplete combustion, with a controlled amount of oxygen and/or steam resulting in production of combustible gases consisting of a mix of Carbon Monoxide (CO), Hydrogen (H₂) and traces of Methane (CH₄), which shall be called synthesis gas to be used as fuel. The projects shall qualify as biogas based power project provided it is using new plant and machinery and having a grid connected system that uses 100% syngas engine with MNRE approved gasification technology and shall use non fossil fuel as approved by MNRE.

(2) The useful life, for the purpose of these Regulations, for biomass gasification based Projects, shall be 20 years.

(3) The normative Capital Cost, after accounting for capital subsidy, shall be Rs. 4.43 Crore / MW for the entire control period unless reviewed by the Commission.

(4) The threshold Plant Load Factor (PLF), including stabilisation period, for the purpose of determining levellised generic tariff under these Regulations shall be 85%.

(5) The Auxiliary Energy Consumption (AUXe), for the purpose of determination of levellised generic tariff under these Regulations, shall be 10%.

(6) The Normative Specific Fuel consumption shall be 1.25 Kg./kWh.

(7) The Normative Operation and Maintenance (O&M) expenses shall be Rs. 0.53 Crore / MW for the base year i.e. the FY 2017-18, the same shall be subject to an escalation factor @ 5.72% per annum from second year onwards.

(8) The base year (FY 2017-18) fuel cost shall be Rs. 3270 / MT and the same shall be escalated @ 5% per annum for the purpose of arriving at generic levellised tariff for the entire useful life of the project.

Chapter 10

Technology specific parameters for Biogas Power Project

53. Biogas based power projects. (1) A technology for generation of power using a mixture of different gases produced by the breakdown of organic matter (anaerobic digestion with anaerobic organisms in the absence of oxygen / fermentation of biodegradable materials) i.e. produced from raw materials such as agricultural waste, manure, municipal waste, plant material, sewage, green waste or food waste. The projects shall qualify as biogas based power project provided it is using new plant and machinery and having a grid connected system that and uses 100% biogas fired engine with MNRE approved technology.

(2) The useful life, for the purpose of these Regulations, for biogas based projects, shall be 20 years.

(3) The normative Capital Cost, after accounting for capital subsidy, for the entire control period beginning the FY 2017-18 shall be Rs. 8.86 Crore / MW unless reviewed earlier by the Commission.

(4) The threshold Plant Load Factor (PLF), including stabilisation period, for the purpose of determining levellised generic tariff under these Regulations shall be 90%.

(5) The Auxiliary Energy Consumption (AUXe), for the purpose of determination of levellised generic tariff under these Regulations, shall be 12%.

(6) The Normative Fuel consumption shall be 3.0 Kg / kWh of substrate mix.

(7) The Normative Operation and Maintenance (O&M) expenses shall be Rs. 0.53 Crore / MW for the base year i.e. the FY 2017-18, the same shall be subject to an escalation factor @ 5.72% per annum from second year onwards for determining levellised tariff for the entire useful life of the project.

(8) The base year (FY 2017-18) fuel cost (Feed Stock Price) shall be Rs. 1229 / MT and the same shall be escalated @ 5% per annum for the purpose of arriving at levellised tariff for the entire useful life of the project. Provided the cost recovery from digester effluent shall be set off against the Fuel Cost (feed stock price) while determining generic levellised tariff.

Chapter 11

Technology specific parameters for Processed Municipal Solid Waste (WtE) based Power Projects based on Rankine Cycle Technology

54. A project shall qualify as MSW (WtE) based power project if it uses processed municipal solid waste and are based on Rankine cycle technology application, combustion or incineration, Bio-methanation, Pyrolysis and High end gasifier technologies etc.

(1) **Capital Cost.**_ the normative capital costs during the entire control period under these Regulations, unless reviewed earlier by the Commission, shall be Rs. 15 Crore / MW.

(2) **Plant Load Factor (PLF).** – (1) Threshold Plant Load Factor for determining fixed charge component of tariff for the municipal solid waste WtE projects shall be as under:-

PLF(%) processed MSW (WtE) based Power Projects

- a) During Stabilisation 65%
- b) During the remaining period of the first year (after stabilization) 65%
- c) From 2nd Year onwards 75%

(2) The stabilization period shall not be more than 6 months from the date of commissioning of the project.

(3) **Auxiliary Energy Consumption (AUXe)** - The auxiliary power consumption for the Waste to energy power projects using municipal solid waste and shall be 15.5%.

(4) **Operation and Maintenance Expenses (O&M)** – The Normative O&M expenses for the first year of the control period under these Regulations i.e. FY 2017-18 shall be 6.5% of normative capital cost. The same shall be escalated @ 5.72% per annum to arrive at the levelled tariff for the entire useful life of the project.

Chapter – 12
Renewable purchase obligation (RPO) and
Renewable Energy Certificate (REC)

55. Renewable Purchase Obligation. – (1) Every obligated entity including distribution licensee, consumers owning captive power plant and open access consumers including short term open access consumers in Haryana, shall purchase energy from renewable energy sources under the Renewable Purchase Obligation (RPO) as under:-

FY	Existing Total RPO (%) of Consumption		Revised Minimum RPO (%) of Total Consumption Excluding Hydro	
	Total RPO	Solar	Non Solar	Solar
2016-17	3.75	1.0	2.75	1.00
2017-18	4.00	1.25	2.75	2.50
2018-19	4.50	1.50	3.00	4.00
2019-20	4.75	2.00	3.00	5.50
2020-21	5.00	2.50	3.00	7.00
2021-22	5.50	3.00	3.00	8.00

(2) Provided that solar renewable purchase obligation specified above shall be procured from generation based on solar energy sources only.

Provided further, such obligation to purchase renewable energy shall be inclusive of the purchases, if any, from renewable energy sources already being made by obligated entity concerned.

Provided also that the power purchases under the power purchase agreements for the purchase of renewable energy sources already entered into by the distribution licensees and consented to by the Commission shall continue to be made till validity of the Power Purchase Agreement approved by the Commission, even if the total purchases under such agreements exceed the RPO as specified in these regulations.

56. Certificates under the Regulations of the Central Commission. - (1) Subject to the terms and conditions contained in these regulations the Certificates issued under the Central Electricity

Regulatory Commission (Terms and Conditions for recognition and issuance of Renewable Energy Certificate for Renewable Energy Generation) Regulations, 2010 shall be the valid instruments for the discharge of the mandatory obligations set out in these regulations for the obligated entities to purchase electricity from renewable energy sources.

Provided that in the event of the obligated entity fulfilling the renewable purchase obligation by purchase of certificates, the obligation to purchase electricity from generation based on solar as renewable energy source can be fulfilled by purchase of solar certificates only, and the obligation to purchase electricity from generation based on renewable energy other than solar can be fulfilled by purchase of non-solar certificates.

(2) Subject to such direction as the Commission may give from time to time, the obligated entity shall act in consistent with the Central Electricity Regulatory Commission (Terms and Conditions for recognition and issuance of Renewable Energy Certificate for Renewable Energy Generation) Regulations, 2010 notified by the Central Commission and as amended from time to time in regard to the procurement of the certificates for fulfillment of the Renewable Purchase Obligation under these regulations.

(3) The Certificates purchased by the obligated entities from the power exchange in terms of the regulation of the Central Commission mentioned in sub regulation (1) of this Regulation shall be deposited by the obligated entities to the Commission in accordance with the detailed procedure issued by the Central Agency.

57. The Obligated Entities including the Power Utilities in Haryana under these Regulations may meet its RPO target by way of own generation or procurement of power from RE developer or by way of purchase from other licensee or by way of purchase of Renewable Energy Certificate or by way of combination of any of the above options.

Provided that in the case of an obligated entity with conventional captive power generation plant as defined in the Electricity Act, 2003, may meet their RPO, solar and non solar as the case may be by self / own generation of respective renewable power.

57. **State Agency.** - (1) The Commission designates Haryana Renewable Energy Development Agency (HAREDA) as the State Agency for accreditation and recommending the renewable energy projects for registration and to undertake functions under these regulations.

(2) The State Agency shall function in accordance with the directions issued by the Commission and shall act in consistent with the procedures rules laid by Central Agency for discharge of its functions under the Central Electricity Regulatory Commission (Terms and Conditions for recognition and issuance of Renewable Energy Certificate for Renewable Energy Generation) Regulations, 2010 as amended from time to time.

(3) The State Agency shall submit quarterly status to the Commission in respect of compliance of renewable purchase obligation by the obligated entities in the format as stipulated by the Commission and may suggest appropriate action to the Commission if required for compliance of the renewable purchase obligation.

(4) If the Commission is satisfied that the State Agency is not able to discharge its functions satisfactorily, it may by general or special order, and by recording reasons in writing, designate any other agency to function as State Agency as it considers appropriate.

58. **Effect of default.** - (1) If the obligated entities do not fulfill the renewable purchase obligation as provided in these regulations during any year and also does not purchase the certificates, the Commission may direct the obligated entity to deposit into a separate fund, to be created and maintained by such obligated entity, such amount as the Commission may determine on the basis of the shortfall in the RPO determined under these regulations from time to time at the forbearance price decided by the Central Commission.

Provided that the fund so created shall be utilized, as may be directed by the Commission, for purchase of the renewable energy certificates.

Provided further that the Commission may empower an officer of the State Agency to procure from the Power Exchange the required number of certificates to the extent of the shortfall in the fulfillment of the obligations, out of the amount in the fund.

Provided also that the distribution licensee shall be in breach of its licence condition if it fails to deposit the amount directed by the Commission within 30 days of the communication of the direction or within such period as directed by the Commission.

(2) Where any obligated entity fails to comply with the obligation to purchase the required percentage of power from renewable energy sources or the renewable energy certificates, it shall also be liable for penalty as may be decided by the Commission under section 142 of the Act.

Provided that in case of genuine difficulty in complying with the renewable purchase obligation because of limited availability of renewable energy or non-availability of certificates, the obligated entity can approach the Commission for relaxation or carry forward of compliance requirement to the next year. However, in normal circumstances, the renewable purchase obligation shall not be waived of.

Provided further that where the Commission has consented in writing on an application made by the obligated entity to carry forward of compliance requirement, the provision of regulation 58 (1) of these Regulation or the provision of section 142 of the Act shall not be invoked.

59. Banking of RE Power._ The RE Generators shall be allowed to bank power with the Distribution Licensee(s) subject to the condition that 2% of the power banked (in kind) shall be deducted towards banking charges.

Provided the banked power shall be utilised within the same financial year and if the banked energy is not utilised within a period of 12 months from the date of power banked with the Discoms it will automatically lapse and no charges shall be paid in lieu of such banked power.

Provided that the RE Generators shall pay the difference in UI charges, if any, prevalent at the time of injection and the time of drawl of such power. No other banking charges shall be payable.

Provided that the banked power shall not be allowed to be drawn from the Grid during the peak load hours and time of day (ToD) tariff period as and when introduced in Haryana.

60. Cost of Evacuation System._ The State transmission utility or the Transmission/Distribution Licensee shall bear the cost of Extra High Voltage (EHV)/ High Voltage (HV) transmission line up to a distance of 10 km. from the inter-connection point. In case the distance between the inter connection point and point of grid connectivity is more than 10 KMs then the cost of transmission line for the distance beyond the 10 KMs shall be borne equally between the Independent Power Producer and the licensee. However for canal based solar power projects, the transmission lines shall be provided by the utilities, free of cost, irrespective of the distance of the project from the substation. The cost of any augmentation required after the interconnection point in the grid system of the Transmission/Distribution Licensee shall also be borne by the Transmission/Distribution Licensee concerned.

61. (1) Notwithstanding anything contained in any other Regulation(s) notified by the Commission, Wheeling Charges, Cross Subsidy Charges, Transmission & distribution charges and Additional Surcharge shall be totally waived of for third party sale / Open Access consumers for energy from ground mounted / Roof Top Solar power during the control period under these Regulations. This shall be subject to the condition that the solar power is generated and utilized within the State of Haryana and is counted towards RPO of the Distribution Licensee(s).

(2) Provided that the Commission may review the above depending on the impact of such waiver on the revenue of the power utilities in Haryana.

62. The rooftop space available in the Government organization, institutions, private buildings / Group Housing Societies or vacant land of the same can also be provided on lease/rent to the Independent Power Producer/ RESCO developer for setting up of solar power projects under the Net Metering Regulations notified by the Commission. .

For such sites the developer can also feed the surplus power where the system is installed along with net meter in line with the Net Metering Regulations notified by the Commission. Provided

that the quantum of such power exported to the Grid shall count towards the RPO of the Distribution Licensee(s).

63. **Discount Factor** - The discount factor for working out levellised generic tariff shall be the weighted average cost of capital (WACC). As WACC is an appropriate indicator of cost of capital (debt and equity), the same shall be considered by the Commission as per the following formula:-

- i) Cost of Term Loan (D) for 1st Ten Years = $0.70 \times (\text{Rate of Interest}) \times (1 - \text{MAT})$
- ii) Cost of Term Loan (D) for remaining ten Years = $0.70 \times (\text{Rate of Interest}) \times (1 - \text{Corporate Tax})$.
- iii) Cost of Equity Capital = $0.30 \times \text{Return on Equity}$.
- iv) $\text{WACC} = \{(\text{WACC for first 10 years} \times 10) + (\text{WACC of 11 to 20th year} \times 10)\} / (10 + 10)$.

Chapter – 13 Miscellaneous

64. **Deviation from norms.** - Tariff for sale of electricity by the RE Generating company may also be determined in deviation from the norms specified in these regulations subject to the conditions that the levellised tariff over the useful life of the project on the basis of the norms in deviation does not exceed the levellised tariff over the entire useful life of the project calculated on the basis of the norms specified in these regulations.

Provided that the reasons for deviation from the norms specified under these Regulations shall be recorded in writing.

65. **Power to Relax.** -The Commission may by general or special order, for reasons to be recorded in writing, and after giving an opportunity of hearing to the parties likely to be affected may suo moto relax any of the provisions of these regulations or on an application made before it by an interested person.

66. **Issue of orders or directions.** – Subject to the provisions of the Act and these regulations, the Commission may, from time to time, issue orders and procedural directions with regard to the implementation of these regulations and specify the procedure to be followed on various matters, which the Commission has been empowered by the regulations to direct and matters incidental thereto.

67. **Power to amend.** -The Commission may, at any time, add, vary, modify or amend any of the provisions of these regulations.

68. **Power to remove difficulties.** -If any difficulty arises in giving effect to any of the provisions of these regulations, the Commission may, by general or special order, make such provisions, which in the opinion of the Commission are necessary or expedient to do so.

69. **Savings.** Nothing in these Regulations shall limit the inherent power of the Commission to make such orders as may be necessary to meet the ends of justice or to prevent abuses of the

process of law / statutes. Nothing in these Regulations shall bar the Commission from adopting, any other procedure, which may be at variance with any of the provisions of these Regulations, as long as they are in conformity with the provisions of the Electricity Act, 2003 and the policies framed by the Central / State Government thereto.

Provided that the reasons for any such deviating shall be recorded in writing.

Provided also that nothing in these regulations shall, expressly or implicitly, bar the Commission from dealing with any matter under these Regulations or exercising any power under the Act for which no regulations have been framed.

By Order of the Commission

Director Tariff
HERC