

PUNJAB STATE ELECTRICITY REGULATORY COMMISSION

Draft Notification

The -----, 2023

No. PSERC/Secy/Regu. – In exercise of the power conferred on it by section 181 (2) read with section 61 and 62 of the Electricity Act 2003 (36 of 2003) and all other powers enabling the Commission in this behalf, the Punjab State Electricity Regulatory Commission hereby makes the following Regulations to amend the Punjab State Electricity Regulatory Commission (Terms and Conditions for Determination of Generation, Transmission, Wheeling and Retail Supply Tariff, Regulations, 2022 including the first and second amendments thereof (hereinafter referred as “the Principal Regulations”) namely:

1. Short Title and Commencement:

(1) These regulations shall be called the "Punjab State Electricity Regulatory Commission (Terms and Conditions for Determination of Generation, Transmission, Wheeling and Retail Supply Tariff) (3rd Amendment) Regulations, 2023.

(2) These Regulations shall come into force from the date of their publication in the official gazette of the State.

2. Amendment in Regulation 9 of the Principal Regulations- Business Plan including Capital Investment Plan

Following new clause 9.20 to Regulation 9 of the Principal Regulations shall be added as under:

“9.20 All the prudent costs incurred by the distribution licensee for creating the assets for development and maintenance of distribution system in accordance with sub-section (1) of section 42 of the Act shall be pass through:

Provided that such pass-through of the cost for the assets created by the distribution licensee shall be subject to following conditions:-

- (i) The asset has been created in accordance with the capex roll out plan for the licensee approved by Commission.
- (ii) The asset has been procured in competitive and transparent manner.
- (iii) The asset is geo-tagged and properly recorded in Fixed Asset Register.”

3. Amendment in Regulation 44 of the Principal Regulations- Power Purchase, Procurement Process and Cost

- a) In clause 44.3, the words “PSERC (Renewable Purchase Obligation and its compliance) Regulations, 2011” shall be substituted as “Punjab State Electricity Regulatory Commission (Renewable Purchase Obligation and its Compliance) Regulations, 2022.”
- b) Following new clause 44.4 to Regulation 44 of the Principal Regulations shall be added as under
“All the prudent costs of power procurement, incurred by distribution licensee for ensuring 24x7 supply of electricity to consumers under the Electricity (Rights of Consumers) Rules, 2020 and for meeting requirements as per Resource Adequacy plan prepared by PSPCL under the Electricity (Amendment) Rules 2022 shall be taken into account, provided that the procurement of power has been done in a transparent manner or procurement price has been approved by the Commission.”

4. New Regulation 48(A)-Subsidy from State Government

Following new Regulations be added to the Principal Regulations:

“Regulation 53 -Subsidy from State Government of the PSERC (Conduct of Business Regulation), 2005 as amended from time to time may be referred to.”

Secretary to the Commission

Note: The Principal Regulations were issued vide Notification No. PSERC/Secy/Regu.165 published in Punjab Govt. Gaz.(Extra) dated 27th October, 2022 and further amended vide:

The 1st Amendment to the Principal Regulations issued vide notification No. PSERC/Secy/Regu. No. 171 published in Punjab Govt. Gaz.(Extra) dated 6th March, 2023.

The 2nd Amendment to the Principal Regulations issued vide notification No. PSERC/Secy/Regu. No. 176 published in Punjab Govt. Gaz.(Extra) dated 5th June, 2023.