

**PUNJAB STATE ELECTRICITY REGULATORY COMMISSION  
PLOT NO.3, MADHYA MARG, SECTOR 18-A, CHANDIGARH**

**ORDER DATE: 04.12.2023**

**In the matter of Punjab State Electricity Regulatory Commission (Conduct of Business) Regulations, 2005.**

**A. Brief Background**

The Ministry of Power vide notification dated 26th July, 2023 has issued Electricity (Second Amendment) Rules, 2023 wherein the Ministry of Power has framed rules to streamline subsidy accounting and payment, establish a framework for financial sustainability. In view of same, the Commission issued the following draft notification in the PSERC (Conduct of Business) Regulations:

- i. Draft notification for PSERC Conduct of Business (7<sup>th</sup> Amendment) Regulations, 2023

A public notice was issued in the newspapers dated 28.09.2023 and also published the notice on the website of the Commission, inviting suggestions/objections of the public and stakeholders on the proposed amendment. In response to the above only PSPCL submitted its objections/suggestion vide email dated 27.10.2023.

The Public Hearing in this respect was held by the Commission on 25.10.2023. PSTCL submitted NIL reply to objections vide letter dated 07.11.2023.

**B. Summary of Objections received:**

The objection/suggestion/comment received on the draft amendment alongwith PSTCL's reply on the same has been summarized as under:

**1. Amendment in Regulation 53 of the Principal Regulations - Subsidy from the State Government: -**

Regulation 53 (5) of the Principal Regulations shall be substituted as under:  
"The Distribution Licensee shall be required to furnish a quarterly report for the accounting of subsidy payable within thirty days from the end of the respective quarter to the Commission. The Commission shall examine the report and issue it with corrections, if any, stating that the demand for subsidy raised by the Distribution Licensee in the relevant quarter based on accounts of energy consumed by the subsidized category and the actual payment made by the

state government is duly accounted for and utilized for the purpose for which the subsidy is given subject to final true-up in the ARR Petition”

**OBJECTION/COMMENT/SUGGESTION RECEIVED:**

- **No. of Objection received: 1**
- **Name of Objector: PSPCL**

**Details of Objection received is as discussed below:**

**PSPCL (Objector No. 4)**

The Commission is requested to allow time period of 60 days from end of respective quarter for submission of quarterly subsidy report instead of 30 days.

**PSTCL’s reply: -**

NIL comments/suggestions may be considered.

**Commission’s Analysis and Decision: -**

This amendment is as per notification dated 20<sup>th</sup> July, 2023 issued by Ministry of Power under the **Rule-15 (Subsidy accounting and payment)**. **As per this Rule, period for submission of quarterly report by the licensee has been fixed for 30 days and therefore suggestion to extend the period is against the above rule and cannot be allowed.**

The Commission has gone through the objection/suggestion/comment of the objector PSPCL and reply of PSTCL on the same and after detailed deliberations, the Commission approves Punjab State Electricity Regulatory Commission (Conduct of Business (7<sup>th</sup> Amendment), Regulations, 2023 as discussed above.

**Sd/-**  
**(Paramjeet Singh)**  
**Member**

**Sd/-**  
**(Viswajeet Khanna)**  
**Chairperson**

**Chandigarh**

**Dated: 04.12.2023**