

# MANIPUR



# GAZETTE

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**JOINT ELECTRICITY REGULATORY COMMISSION  
FOR MANIPUR AND MIZORAM  
AIZAWL : : : MIZORAM**

**NOTIFICATION**

*No. H.13011/22/10- JERC, Dated Aizawl, the 29<sup>th</sup> July, 2010:* In exercise of powers conferred under Section-32 read with Section 181 of the Electricity Act-2003 and of all other powers enabling in this behalf, the Joint Electricity Regulatory Commission for Manipur and Mizoram hereby makes the following regulations, namely: -

**1 Short Title, Extent and Commencement:**

- (1) These Regulations may be called the “Joint Electricity Regulatory Commission for Manipur & Mizoram (**Procedure, Terms & Conditions for payment of Fees and Charges to State Load Despatch Centre and other related provisions**) Regulations, 2010”.
- (2) These Regulations extend to the whole of the States of Manipur and Mizoram and shall apply in relation to all matters falling within the jurisdiction of the Commission.
- (3) These Regulations shall apply to generating companies including captive power plants, co-generating power plants, generation from renewable sources of energy and licensees connected with the power system in the States of Manipur and Mizoram.
- (4) These Regulations shall come into force with effect from 1<sup>st</sup> August, 2010.

**2 Definitions and Interpretation**

- (1) In these regulations unless the context or subject-matter otherwise requires:
  - (a) “**Act**” means the Electricity Act, 2003 (36 of 2003); 12
  - (b) “**Agreement**” means the agreement entered into between the generating company and licensee or consumer and between licensees:
  - (c) “**Accounting Statement**” means for each financial year, accounting statements comprising a profit and loss account, a balance sheet and a statement of sources and application of funds, together with notes thereto as detailed under the Companies Act, 1956 (1 of 1956) and such other particulars and details in the manner as the Commission may direct from time to time.

- (d) **“Annual Accounts”** means the accounts of the State Load Despatch Centre prepared in accordance with the provisions of the Companies Act, 1956 and/or in such other manner as may be directed by the Commission in terms of the provisions of the Act;
- (e) **“Auditors”** means the auditors of State Load Despatch Centre holding office in accordance with the requirements of Sections 224 to 234A or Section 619 as the case may be, of the Companies Act 1956 (1 of 1956);
- (f) **“Authority”** means the Central Electricity Authority.
- (g) **“Captive Generating Plant”** means a power plant set up by any person to generate electricity primarily for his own use and include a power plant set up by any co-operative society or association of persons for generating electricity primarily for use of members of such co-operative society or association;
- (h) **“Co-generation”** means a process, which simultaneously produces two or more forms of useful energy (including electricity);
- (i) **“The Commission”** means the Joint Electricity Regulatory Commission for Manipur and Mizoram.
- (j) **“Distribution Licensee”** means a licensee authorized to operate and maintain a distribution system for supplying electricity to the consumers in his area of supply;
- (k) **“Distribution System”** means the system of wires and associated facilities between the delivery points on the transmission lines or the generating station connection and the point of connection to the installation of the consumers;
- (l) **“Deemed Licensee”** means a person authorized under the first, second, third and fifth proviso to section 14 of the Act.
- (m) **“Electricity System”** means a system under the control of a generating company or licensee, as the case may be, having one or more –
  - (a) Generating stations; or
  - (b) Transmission lines; or
  - (c) Electricity lines and service stations, and when used in the context of a State or the Union, the entire electricity system within the territories thereof;
- (n) **“Electricity Trader”** – means a person who has been granted a license to undertake trading in electricity;
- (o) **“Generating Company”** means any company or body corporate or association or body of individuals, whether incorporated or not, or artificial judicial person, which owns or operates or maintains a generating station;

- (p) **“Grid Code”** means “Joint Electricity Regulatory Commission for Manipur and Mizoram (Grid Code) Regulations, 2010”, a document describing the procedures and the responsibilities for planning and operation of the Grid of Manipur and Mizoram States.
- (q) **“Inter-state transmission system”** includes –
- (i) Any system for the conveyance of electricity by means of main transmission line from the territory of one State to another State;
  - (ii) The conveyance of electricity across the territory of an intervening state as well as conveyance within the State, which is incidental to such inter-state transmission of electricity;
  - (iii) The transmission of electricity within the territory of the State on a system built, owned, operated, maintained or control by a Central Transmission Utility;
- (r) **“Intra-state transmission system”** means any system for transmission of electricity other than an inter state transmission system;
- (s) **“Intra-State trading,”** means trading in electricity within the territory of the State by an electricity trader;
- (t) **“Open Access”** means the non-discriminatory provision for the use of transmission lines or distribution system or associated facilities with such lines or system by any licensee or consumer or a person engaged in generation in accordance with the regulations specified by the Commission;
- (u) **“Regional Load Despatch Centre”** means the Centre established under sub-section-1 of Section-27 having territorial jurisdiction as determined by the Central Government and shall be the apex body to ensure integrated operation of the power system in the region;
- (v) **“State Transmission Utility”** means the Board or the Government Company specified as such by the State Government under sub-section- 1 of Section-39;
- (w) **“Trading”** means purchase of electricity for resale thereof and the expression trade shall be construed accordingly;
- (x) **“Trading Licensee”** means the License under section 14 of the Act for undertaking Trading and shall include Deemed Licensee for the purpose.
- (y) **“Transmission Licensee”** means the entity, which has been granted a Transmission License or is a deemed Licensee under the first, second, third or fifth proviso of Section 14 of the Act authorized to transmit electricity;

- (z) **“Wheeling”** means the operation whereby the distribution system and associated facilities of a transmission licensee or distribution licensee as the case may be, are used by another person for the conveyance of electricity on payment of charges to be determined under Section-62 by the Commission;

### **3 State Load Despatch Centre:**

The State Load Despatch Centre shall be the Centre established by the State Government to be operated by a Government company or any Authority or Corporation established or constituted by or under the State Act provided that until the State Government notify so, the State Transmission Utility shall operate State Load Dispatch Centre and shall be the apex body to ensure integrated operation of the power system in the State.

### **4 Functions of State Load Despatch Centre:**

- (1) The State Load Despatch Centre shall be responsible for:-
- (i) scheduling and despatch of electricity;
  - (ii) carrying out real time operation for control of grid and dispatch of electricity;
  - (iii) exercise, supervision and control over the intra state transmission system;
  - (iv) monitor Grid Operations;
  - (v) keep account of the electricity transmitted through the Grid.
- (2) In discharge of functions, the State Load Despatch Centre shall be guided by the contracts entered into with the licensees or consumers and generating companies or between licensees or between licensees and consumers, grid standards specified by the Authority, Grid Code specified by the Central Commission and Grid Code for Manipur and Mizoram.

### **5 Obligations of State Load Despatch Centre:**

The State Load Despatch Centre shall -

- (i) comply with the directions of the Regional Load Dispatch Centre,
- (ii) ensure that the directions issued by the Regional Load Dispatch Centre to any transmission licensee or State Transmission Utility or other licensee of the State or Generating Company or Substations in the State are duly complied with,
- (iii) comply with the provisions of Availability Based Tariff,
- (iv) comply with the provisions of ‘Open Access Regulation’ to be specified by the Commission.

## **6 Duties of State Load Despatch Centre:**

In discharge of functions, obligations and duties, the State Load Despatch Centre shall be guided by the provisions of the Act, principles and methodologies in respect of wheeling and scheduling and dispatch etc. as the Central Commission has specified in Indian Electricity Grid Code; provisions of Availability Based Tariff, **Joint Electricity Regulatory Commission for Manipur and Mizoram (Grid Code)**, 'Open Access' Regulation, 'Terms and Conditions of Tariff' Regulations, 'Procedure, Terms and Conditions for grant of Trading License and other related matters' Regulation and any other rules, regulation and practice direction specified or to be specified by the Commission.

### **The State Load Despatch Centre shall -**

- (i) prepare schedule of generation and draws from the Central Generating Stations, State Generating Stations or from other sources of availability of power and for that purpose formulate detailed procedure of scheduling *within one-month time* of the date of publication of this regulation in the Official Gazette.;
- (ii) collect and maintain data of grid operation and transfer of electricity through the power system and for those purpose frame guidelines for the generating companies and licensees connected in the grid and to ensure transmission of required data to the concerned agencies as required under the Act;
- (iii) prepare energy account including unscheduled inter change account and develop a scheme for preparation of the same *within one month* of the date of publication of this Regulation;
- (iv) prepare bill of unscheduled inter change of electricity and the procedure for preparation of the same specifying therein the period of bill, mode of payment, time of payment, surcharge for delayed payment and penalty for non payment of bills;
- (v) perform such duties as specified by the Commission in any other regulation or otherwise.

## **7 Prohibited Activities:**

State Load Despatch Centre shall not engage in the business of trading in electricity.

## **8 Fee and Charges payable to State Load Dispatch Centre:**

- (1) All expenses incurred by the SLDC, shall be accounted for separately.
- (2) For the discharge of its functions as specified in Section 32 of the Act, expenses incurred by the SLDC shall be recovered from the *Generating stations monitored and dispatched by the SLDC and the Transmission licensees.*



- (3) Generating Companies and Licensees requiring long-term access to the grid shall submit an application to the SLDC in the specified format A at least one month before the proposed date of connection to the State Grid, along with fee of Rs.10,000 (Rupees Ten thousand only). The existing Licensees and Generating Companies shall register themselves with SLDC by filling an application along with the above- mentioned Fees.
- (4) The SLDC, after scrutinizing the application and after being satisfied of the completeness and correctness of the information furnished in the application, shall register the application in SLDC records duly intimating the applicant regarding the acceptance of the same.
- (5) The Charges payable to the State Load Despatch Centre by Generating Companies and licensees engaged in intra State transmission of electricity, arising out of the assets and liabilities assumed by it for discharge of functions, obligations and duties under the provisions of the Act, shall be a fixed charge payable on monthly basis comprising:-
  - (a) Return on equity,
  - (b) Depreciation,
  - (c) Interest on loan,
  - (d) Operation and Maintenance expenses,
  - (e) Interest on Working Capital, if any.
  - (f) Tax and duties
- (6) Cost of assets shall be determined based on capital expenditure actually incurred as on the date of putting the asset in commercial use subject to prudence check by the Commission. The cost estimates scrutiny shall be limited to reasonableness of capital cost, financing plans, purpose of use and efficient technology. In case of existing assets, net fixed assets as on 1.4.2010 shall be taken for the purpose of determination of charges.
- (7) Assets cost shall be divided into normative debt and equity at the ratio of 70:30 for determination of charges irrespective of actual debt and equity employed. In case, equity is less than 30%, the actual debt and equity shall be considered for determination of charges.
- (8) Interest on loan shall be computed, for each loan based on loan determined under regulation 8(7), on the outstanding loan taking into account cumulative repayment as on 1st April of the year. Rate of interest shall be the actual rate of interest contracted with the financing agency.

- (9) Depreciation shall be allowed up to maximum of 90% of the historical cost of the asset. Depreciation shall be calculated from the first year of operation of the asset annually based on straight line method over the useful life of the asset and the rate prescribed by the Central Electricity Regulatory Commission. Depreciation shall be utilized for repayment of loan.
- (10) Return on equity as determined under regulation 8(7) shall be as per relevant CERC Regulations.
- (11) Operation and maintenance expenses shall include employee cost, repair and maintenance charges, electricity charges, communication expenses, training and recruitment charges, traveling expenses, printing and stationery charges, rent, insurance, corporate expense, miscellaneous expense, security, vehicle etc.
- (12) Total current assets minus total expenditure shall be the criteria for arriving at working capital. The interest on working capital shall be calculated at rate equal to short-term prime lending rate of State Bank of India prevailing as on 1st April of the year.
- (13) Income Tax and other statutory duties, if any, shall be paid at actual.

## **9 Payment:**

- (1) Application Fee shall be payable to State Load Despatch Centre as specified in regulation 8 (3) through a Demand Draft or other mode acceptable to State Load Despatch Centre.
- (2) The charges to the State Load Despatch Centre shall be payable by generating companies and licensees engaged in intra State transmission of electricity. The monthly charges shall be calculated by dividing the total Charges as calculated under Regulation 8 (5) by twelve.
- (3) Payment of charges can also be done on a monthly basis in the following manner:
  - (i) State Load Despatch Centre charge in Rs per Mw per hour =  $\frac{\text{total charges}}{\text{Aggregate capacity (long term customer) in MW} / 8760}$ .
  - (ii) The above rate would apply for long term customers. Short term customers would bear a charge of 25% of the long term SLDC charge per MW per hour. This amount received from short term customers would be set off against charges from long term customer in the next year on a pro rata basis based on allotted transmission capacity.

**10 Billing:**

State Load Despatch Centre shall raise bill on the basis of energy account finalized by it as per regulation 9(2) for a month to be presented by seventh day of next month. Bill shall be paid within fifteen days of the date of bill.

**11 Late payments surcharge:**

Late payment surcharge at the rate of 1.25 % shall be levied in case bill is not paid within time as stipulated in regulation 10.

**12 Accounts of the State Load Despatch Centre;**

- (1) Unless otherwise permitted by the Commission the financial year shall run from the first of April to the following thirty-first of March.
- (2) The State Load Despatch Centre shall keep such accounting records and prepare accounting statement certified by auditors as would be required to be kept in respect of each such business so that the revenues, costs, assets, liabilities, expenditure, reserves and provisions of, or reasonably attributable to Load dispatch activities could be verified. In case State Transmission Utility operates State Load Despatch Centre, such accounts shall be maintained in the books of accounts separately identifiable.

**13 Procedure for filing Annual Revenue Requirement:**

- (1) The State Load Despatch Centre shall file an application for determination of Annual Revenue Requirement from charges, which it believes to have been permitted to recover in accordance with the procedure laid down in Joint Electricity Regulatory Commission for Manipur and Mizoram (Conduct of Business) Regulations, 2010. Provided that such an application for a financial year shall be filed by 31st December of the preceding year.
- (2) The details of calculation of the expenses and other related information shall be provided in the format prescribed in the Annexure 1 to 13.
- (3) The Commission may require further information from State Load Despatch Centre as reasonably required to assess the requirement of revenue.
- (4) The Commission may cause the State Load Despatch Centre to implead generating companies and licensees as necessary party in the said application and publish a notice in the newspaper inviting objections from the consumers and other interested parties on the proposal of Annual Revenue Requirement filed by it before the Commission.



- (5) The Commission in determining the charges shall take into consideration the objection, if any, received from public or necessary parties to the application during an open hearing.
- (6) The SLDC charges so determined by the Commission shall be valid till the approval of next revision of charges. SLDC shall seek revision of charges only when the ARR for any year varies by plus or minus 10% of the ARR considered at the time of previous determination of SLDC charges.
- (7) SLDC shall file ARR every year even when no revision of charges is required. The Commission will validate the ARR and pass appropriate order.
- (8) In the event of non-revision of SLDC charges during any year for the reasons cited under 13(6), shortfall or excess in recovery of SLDC charges, shall be carried forward to the next ARR.

#### **14 Non compliance of directions:**

- (1) State Load Despatch Centre may give such directions and exercise such supervision and control as may be required for ensuring integrated operation of the power system for achieving maximum economy and efficiency and every licensee, generating company, sub station and any other person connected with the operation of the power system shall comply with such directions.
- (2) If any licensee, generating company or any other person fails to comply with the directions issued, it shall be liable to a penalty not exceeding Rs. 1 lakh.

#### **15 Resolution of Dispute:**

If any dispute arises with reference to the quality of electricity or safe, secure and integrated operation of the State grid or in relation to any direction, payment or billing shall be referred to the Commission for adjudication.

Provided that pending the decision of the Commission, the licensee or generating company shall comply with the direction of State Load Despatch Centre.

#### **16 Miscellaneous:**

Nothing contained in these Regulation shall:

- (1) be deemed to limit or other wise effect the power of the Commission to make, at any time and on such terms as it may think fit, such amendment in the provisions of these Regulations for the purpose of meeting the objectives with which these Regulations have been framed,

- (2) bar the Commission from adopting in conformity with provisions of the Act, if procedure which is at variance with any of the provisions of these Regulations, if the Commission, in view of the special circumstances of a matter or a class of matters and for reasons to be recorded in writing, deems it just or expedient for deciding such matter or class of matters.
- (3) expressly or impliedly, bar the Commission dealing with any matter or exercising any power under the Act for which no Regulation had been framed and Commission may deal with such matters, powers and functions in a manner, as it considers just and proper.

### **17 Removal of difficulties:**

If any difficulties arises in giving effect to any of the provisions of these regulations, the Commission may, by general or special order, do any thing not being inconsistent with the provisions of the Act, which appears to it, necessary or expedient for the purpose of removing the difficulties.

### **18 Amendment:**

The Commission may, at any time, add, vary, alter, modify or amend any of the provisions of these Regulations.

By Order of the Commission,

RICHARD ZOTHANKIMA,  
Assistant Secretary,  
Joint Electricity Regulatory Commission  
For Manipur and Mizoram.

ANNEXURE - 1

Annual Revenue Requirement of SLDC for the year .....(Rs. In Lakhs)

Sl. No	Particulars	Annexure No	Previous year (Actuals)	Current year (Actuals for first six months and estimate for the balance period)	Ensuing Year Estimates)	Remarks
1	Employee Cost					
2	Administration & General Charges					
3	Repairs and Maintenance expenses					
4	Depreciation					
5	Interest & Finance Charges					
6	Interest on Working Capital					
7	Other Expenses					
8	Prior Period Adjustments(+/-)					
9	Return on Investments/Capital					
10	Total Revenue Requirement					
11	Less other income(fee etc.,)					
12	Net ARR					
13	Amount Allocated to Generating Station(50% of Sl.No.12)					
14	Amount Allocated to Transmission Licensee(50% of Sl.No.12)					

**ANNEXURE - 2**

**Estimated Revenue from Generating Stations & Transmission Licensees for the Financial year .....**

**Revenue from Generating Stations & Transmission Licensees Amount (Rs. In Lakhs)**

Sl. No	Particulars	Generation capacity in MWs/Transmission Capacity in MW Kilometers	Previous year (Actuals)	Current year (Actuals for first six months and estimate for the balance period)	Ensuing Year (Estimates)	Remarks
1	.....Generating Station					
2	.....Generating Station					
3	.....Generating Station					
4	.....Generating Station					
5	.....Generating Station					
6	.....Generating Station					
	<b>Total from Generating Stations</b>					
1	.....Transmission Licensees					
2	.....Transmission Licensees					
3	.....Transmission Licensees					
4	.....Transmission Licensees					
	Total From Transmission Licensees etc.,					
	<b>Total</b>					

ANNEXURE - 3

**EMPLOYEES' COST**

Sl. No	Particulars	Previous year (Actuals)	Current year(Actuals for first six months and estimate for the balance period)	Ensuing Year Estimates)	Remarks
1	Salaries				
2	Over Time/ Double Wages				
3	Dearness Allowance				
4	Other allowances				
5	Bonus/ Ex-gratia				
6	<b>Sub-Total(1-5)</b>				
7	Medical Expenses				
8	Leave Travel Allowance				
9	Earned Leave Encashment				
10	Other expenses towards Employee Cost				
11	<b>Sub-Total(7 to 10)</b>				
12	Staff Welfare Expenses				
13	Terminal benefits/provisions				
14	<b>Sub total (12 to 13)</b>				
	<b>Grand Total</b>				





**ANNEXURE - 5**

**ADMINISTRATION AND GENERAL EXPENSES**

Sl. No	Particulars	Previous year (Actuals)	Current year(Actuals for first six months and estimate for the balance period)	Estimates For ensuing Year	Remarks
1	Rents, Rates and taxes				
2	Security Arrangements				
3	Insurance				
4	Telephone Charges, Postages, Telegram, Telex and fax charges				
5	V Sat, internet and related charges				
6	Legal Charges				
7	Audit Fees				
8	Consultancy Charges				
9	Technical fee				
10	Other professional charges				
11	Travelling Expenses				
12	Conveyance and Vehicles Hire charges				
13	<b>Sub-Total(1-12)</b>				
14	Other Expenses				
	a) Fees and Subscription				
	b) Books and periodicals				
	c) Computer Stationery				
	d) Printing and Stationery				
	e) Advertisements				
	f) Contributions/Donations				
	g) Electricity Charges				
	h) Water Charges				
	i) Entertainment Charges				
	j) Miscellaneous Charges				
15	<b>Sub-Total (a- j)</b>				
16	Freight				
17	Other purchases and related expenses				
18	<b>Grand Total</b>				
<p><b>Note:</b> In case the expenditure is more than Rs.One Crore in respect of each of the above items, Full details of such expenses shall be furnished separately</p>					



**DEPRECIATION**

Sl.No	Description of Asset	Previous Year			Current Year			Ensuing Year		
		Balance of Accumulated Depreciation at the beginning of the year	Depreciation Provided for the Year	Withdrawal of Depreciation	Balance of accumulated Depreciation at the end of the year	Balance of Accumulated Depreciation at the beginning of the year	Depreciation Provided for the Year	Withdrawal of Depreciation	Balance of accumulated Depreciation at the end of the year	
1	Land and Rights									
2	Building and structures									
3	Communication Equipment									
4	Metering Equipment									
5	V-Sat Equipment									
6	Miscellaneous Equipment									
7	Other Items									
	<b>Total</b>									

**ANNEXURE - 8**

**ADMINISTRATION AND GENERAL EXPENSES**

Sl No	Name of the Institution/Bank	Balance at the beginning of the year	Amount received during the year	Amount redeemed during the year	Balance outstanding at the end of the year	Rate of Interest	Interest for the year	Remarks
1	Loan from Govt.							
2	Loan from others-Secured							
	a)							
	b)							
	c)							
	<b>Total</b>							
3	Loans from others-unsecured							
	a)							
	b)							
	c)							
	<b>Total</b>							
4	Short term Loans/Borrowing for working capital							
	a)							
	b)							
	c)							
	<b>Total</b>							
5	Others							
	a)							
	b)							
	c)							
	<b>Total</b>							
	<b>Grand Total</b>							



ANNEXURE - 9

**INTEREST ON WORKING CAPITAL**

<b>Sl No</b>	<b>Source of Borrowing</b>	<b>Amount Borrowed during the year</b>	<b>Rate of interest</b>	<b>Period of borrowing</b>	<b>Amount of interest</b>	<b>Remarks</b>
1						
2						
3						
4						
5						
6						
7						
8						
9						
	<b>Grand Total</b>					











**Format - A**  
**(8.3)**

**APPLICATION FOR REGISTRATION FOR CONNECTION WITH THE STATE GRID**

Sl. No.	Particulars	
1	Name of the Generation Company/Transmission Licensee	
	Registered Address	
	Phone No./Fax/E-mail Id	
	Capacity: In case of Generating Station Installed Capacity in MWs In case of Transmission Licensee Capacity in MW Kilo Meters of Transmission Line	
	Proposed date of Connection with the State Grid	
	Details of Inter-connection point(enclose separate sheet if necessary)	
	DD No. and Date towards Registration Fee payable to SLDC	
	Undertaking:	
	We hereby undertake to abide by the instructions issued by the SLDC for Grid Management	
		Signature of the Authorised Officer
Note:	The SLDC may prescribe and collect necessary technical details from the Generating Companies and Transmission Companies separately.	