

Summary of Draft Electricity Amendment – 2020

1. The act shall be referred as **“the principal act”**
2. Act shall be extended to whole India
3. Cross Border Trade shall cover
 - a. Import or Export of electricity from India and any other country
 - b. Transaction related to passage of electricity through India in transit between two other countries
4. Introduction of Distribution Sub-Licensee.
 - a. Person recognised and authorized by Distribution Licensee
 - b. Shall require permission from State Commission
 - c. No requirement of separate license from State Commission
5. Franchisee
 - a. Person recognised and authorized by Distribution Licensee
 - b. Shall require informing the State Commission
 - c. No requirement of separate license from State Commission
6. Creation of National Renewable Energy Policy by Central government in consultation with State governments
 - a. Prescribe minimum percentage of purchase of electricity from renewable and hydro sources
7. Additional roles to NLDC
 - a. responsible for optimum scheduling and despatch in the country across different regions
 - b. scheduling and despatch in accordance with the contracts
 - c. Monitor grid operations
 - d. authority for carrying out real time operations of the national grid
 - e. RLDC, SLDC, Gencos, Generating Station, Sub-station etc. shall comply with the directions of NLDC
8. No schedule or despatch of electricity unless adequate security of payment as per the contract
9. Transmission Charges under open access may be specified by Central Commission and surcharge may be specified by State Commission. (Earlier both functions were with Central Commission)
10. Open Access shall be allowed on payment of a surcharge and charges for wheeling
 - a. In addition to the Intra-state transmission charges determined by SERCs and,
 - b. Inter-state transmission charges determined by CERC
11. Reduction in surcharges and cross subsidies by SERCs in the manner as may be provided in the Tariff Policy

12. Manner of payment and utilization of surcharge shall also be specified by SERCs
13. Agreement with respect to supply or purchase or transmission of electricity shall have adequate security of payment consistent with the provisions of this Act.
14. Central government may prescribe rules and guidelines for facilitating cross border trade of electricity. Central commission may require to make regulation for such trade.
15. Fixation of tariff for retail sale of electricity without accounting for subsidy.
16. Adoption of tariff discovered under Section 63 within 60 day of application else it shall be deemed to have been adopted by the appropriate commission.
17. Payment of subsidy directly to the consumer by the state government and licensee shall charge the consumers as per the tariff determined by the Commission.
18. Selection Committee to recommend members shall comprise of
 - a. Judge of Supreme Court as Chairperson
 - b. Secretary-in-charge of Ministry of the Central Government as Member
 - c. Chief Secretaries of two State Government as Member
 - d. Secretary-in-charge of Ministry of the Central Government dealing with power as Member
19. CERC and SERCs shall not adjudicate upon matters referred under Electricity Contract Enforcement Authority
20. In unavailability of Chairperson and members in State Commission, Central Commission may entrust its function to any other State Commission or Joint Commission.
21. Constitution of Electricity Contract Enforcement Authority with following
 - a. sole authority and jurisdiction to adjudicate upon matters regarding performance of obligations under a contract related to sale, purchase or transmission of electricity
 - b. Every contract between a generation company and a licensee shall be filed with the Appropriate Commission within 30 days of the said contract having been concluded.
 - c. An order made by the Electricity Contract Enforcement Authority under this Act shall be executable by it as a decree of civil court
 - d. Any person aggrieved by any decision or order of the Electricity Contract Enforcement Authority, may, file an appeal to the Appellate Tribunal within sixty days
22. Various fines for non-compliance of the order or directions have been enhanced under following sections
 - a. Section 142
 - b. Section 146
23. Additional powers of Central Government to notify following
 - a. Minimum percentage of purchase of electricity from renewable and hydro sources of energy
 - b. allowing and facilitating cross border trade of electricity and any matter related to it

- c. Laying down the modalities of bundling of renewable energy (including hydro) with thermal energy
- d. Renewable Generation Obligation
- e. Regarding maintaining adequate capacity resources
- f. Payment security mechanism