

(b) where the agreement does not lay down any formula, in accordance with the formula given in the Schedule to these rules;

(6) The recovery of the impacted amount, in case of the fixed amount shall be,—

(a) in case of generation project, within a period of one-hundred eighty months; or

(b) in case of recurring impact, until the impact persists.

(7) The generating company or transmission licensee shall, within thirty days of the coming into effect of the recovery of impact of change in law, furnish all relevant documents along with the details of calculation to the Appropriate Commission for adjustment of the amount of the impact in the monthly tariff or charges.

(8) The Appropriate Commission shall verify the calculation and adjust the amount of the impact in the monthly tariff or charges within sixty days from the date of receipt of the relevant documents under sub-rule (7).

(9) After the adjustment of the amount of the impact in the monthly tariff or charges under sub-rule (8), the generating company or transmission licensee, as the case may be, shall adjust the monthly tariff or charges annually based on actual amount recovered, to ensure that the payment to the affected party is not more than the yearly annuity amount.

THE SCHEDULE

[See rule 5(b)]

FORMULA FOR DETERMINATION OF IMPACT IN TARIFF OR CHARGES DUE TO CHANGE IN LAW

Formula to calculate adjustment in the monthly tariff due to the impact of Change in Law, which is non-recurring in nature—

For Generation Project:—

Let financial impact of change in law = **P**;

then the modification in the monthly tariff (**MT**) for compensating the financial impact is given by—

$$MT = \frac{Y}{X}$$

where **X** = estimated monthly electricity generation (in kWh) = $(1/12) \times$ [contracted capacity of the power plant as per the Agreement (in MW) \times Normative Plant Load Factor (PLF) or Availability factor* or Capacity Utilisation Factor (CUF) (in case of RE), as per the Agreement (in %) \times 8760 hours \times 10];

(* in case PLF and CUF is not provided, the availability factor mentioned in the agreement may be considered. However, it will be true up with reference to the actual generation on annual basis.)

$$\text{and } Y = \frac{(P \times M_r)(1 + M_r)^n}{(1 + M_r)^n - 1}$$

where,—

n = No. of months over which the financial impact has to be paid (subject to a maximum of 180 months in case of the non-recurring fixed amount but in case of recurring impact it will be till the impact persists); and

$$M_r = \text{monthly rate of interest} = \frac{R}{12 \times 100};$$

where **R** = annual rate of interest on loan component (in %) as considered by the Central Electricity Regulatory Commission in its Order for Tariff determination from Conventional or Renewable Energy Sources (whichever is applicable) for the year in which the project is commissioned. In absence of relevant Orders of the Central Electricity Regulatory Commission for the concerned year, the interest rate shall be average interest rate plus 200 basis points above the average State Bank of India Marginal Cost of Funds based leading rate, of one year tenor, prevalent during the last available six months for such period.

Further, generating company or intermediary procurer or the trading licensee shall true up the MT annually based on actual generation of the year so as to ensure that the payment to the affected party is capped at the yearly annuity amount.

[F. No. 23/18/2020-R&R]

GHANSHYAM PRASAD, Jt. Secy.

State-wise Fuel & Power Purchase Cost Adjustment for FY 2020-21

States	Whether Fuel Surcharge Adjustment formula/mechanism provided in regulation (Yes/No)?	Frequency of adjustment of Fuel Surcharge as per the regulations (monthly / bi-monthly / quarterly)?	Fuel Surcharge Adjustment being done as per the regulations? If not, please provide the reasons thereof
Andhra Pradesh	Yes	Yearly. But the same has been amended to quarterly mechanism w.e.f from 01.04.2021.	Yes
Arunachal Pradesh	No	-	-
Chhatisgarh	Yes	Bi -monthly	Yes
Delhi	Yes	Quarterly	Yes
Gujarat	The Fuel Surcharge Adjustment formula / mechanism is not provided in regulation. However, the FPPPA mechanism is already in place in Gujarat.	Quarterly	Yes
Haryana	Yes	Quarterly	Yes
Goa	Yes	Quarterly	Yes
Andaman & Nicobar Islands	Yes	Quarterly	No, Not applicable due to Diesel Generation
Puducherry	Yes	Quarterly	done
Chandigarh	Yes	Quarterly	done
Lakshadweep	Yes	Quarterly	No, Not applicable due to Diesel Generation.
Dadra & Nagar Haveli	Yes	Quarterly	done
Daman & Diu	Yes	Quarterly	done
J&K & Ladakh	Yes. Truing up of past year take care of such variations as uncontrollable factors	Not applicable	Not applicable
Manipur	No. It is provided in Tariff Order	To be made monthly.	Yes
Mizoram	No. It is provided in Tariff Order	To be made monthly.	Yes
Jharkhand	Yes	Quarterly	No, Quarterly Submission was not made
	Yes	Quarterly	No, Quarterly Submission was not made
	Yes	Quarterly	No, Quarterly Submission was not made
	Yes	Quarterly	No, Quarterly Submission

	Yes	Quarterly	was not made
Karnataka	Yes. The commission has notified the regulations for collection of FAC on 22.03.2013. The FAC is effective from 01.07.2013	Quarterly	Fuel surcharge Adjustment being done as per the Regulations
Kerala	Yes	Quarterly	Matter is sub judice. The issue of fuel surcharge in the case of certain unapproved PPAs have been litigated in the Hon'ble APTEL and the APTEL directions has been stayed by the Hon'ble Supreme Court. Matter is pending in the APEX court at present
Maharashtra	Yes, Fuel surcharge Adjustment Formula is provided in MYT Tariff Regulations ,2019	Monthly	Yes , Fuel surcharge Adjustment Formula being done as per MYT Tariff Regulations ,2019 Further, FAC stabilization fund have been created to have minimal impact of monthly FAC variations on end consumers
	Yes , Fuel surcharge Adjustment Formula is provided in MYT Tariff Regulations ,2019	Monthly	Yes , Fuel surcharge Adjustment Formula being done as per MYT Tariff Regulations ,2019 Further, FAC stabilization fund have been created to have minimal impact of monthly FAC variations on end consumers
	Yes , Fuel surcharge Adjustment Formula is provided in MYT Tariff Regulations ,2019	Monthly	Yes , Fuel surcharge Adjustment Formula being done as per MYT Tariff Regulations ,2019 Further, FAC stabilization fund have been created to have minimal impact of monthly FAC variations on end consumers
	Yes , Fuel surcharge Adjustment Formula is provided in MYT Tariff Regulations ,2019	Monthly	Yes , Fuel surcharge Adjustment Formula being done as per MYT Tariff Regulations ,2019 Further, FAC stabilization fund have been created to have minimal impact of