

No. 23/2/2022-R&R
Government of India
Ministry of Power

Shram Shakti Bhawan, Rafi Marg,
New Delhi, 12th August, 2022

To

1. Secretary, MNRE, New Delhi
2. Chairperson, Central Electricity Authority, Sewa Bhawan, R.K. Puram, New Delhi
3. Secretary, Central Electricity Regulatory Commission (CERC), New Delhi
4. Principal Secretaries/Secretaries (Power/Energy) of all State Governments/UTs
5. Secretaries of All State Electricity Regulatory Commissions/JERCs.
6. Chairman/CMDs of all PSUs under administrative control of Ministry of Power
7. CMD, SECI, New Delhi
8. CMDs/MDs of Discoms/Gencos of all State Governments
9. CMD, IEX LTD New Delhi & MD/CEO, PXIL, Mumbai
10. DG, Association of Power Producers, New Delhi.
11. President, FICCI, House No. 1, Tansen Marg New Delhi
12. President, CII, New Delhi
13. President, PHDCCI, New Delhi
14. ASSOCHAM, Chanakyapuri, New Delhi
15. Member, PRAYAS Energy Group, Pune
16. DG, Electric Power Transmission Association (EPTA), New Delhi
17. Chairman Indian Wind Power Association, New Delhi
18. Chairman, Indian Wind Turbine Manufacturers Association, New Delhi
19. Director General, National Solar Energy Federation of India (NSEFI), New Delhi.

Subject: Draft Electricity (Amendment) Rules, 2022- Reg.

Sir/Madam,

I am directed to forward herewith the draft Electricity (Amendment) Rules, 2022, with request to provide your comments, if any, to this Ministry within 30 days from the date of this letter, i.e. by 11th September, 2022. The comments may also be emailed at pk.sinha1966@gov.in.

2. This issues with the approval of Competent Authority.

Encl: as above

Yours faithfully,



(D. Chattopadhyay)
Deputy Secretary to the Govt. of India
Ph: 011- 2371 5250

Copy for information to: PS to Hon'ble Minister for Power and NRE, APS to MoSP, Sr. PPS to Secy (P), PSO to CE (R&R), Ministry of Power.

Copy to: Technical Director, NIC Cell for uploading on MOP's website under "Current Notices" with the heading of "Seeking comments on draft Electricity (Amendment) Rules, 2022."

[Published in the Gazette of India, Extraordinary, Part-II, Section 3, Sub-section (i)]

(DRAFT)

GOVERNMENT OF INDIA

MINISTRY OF POWER

New Delhi, the August, 2022

NOTIFICATION

G.S.R. (E).- In exercise of the powers conferred by Section 176 of the Electricity Act, 2003 (Act 36 of 2003), the Central Government hereby makes the following rules, further to amend the Electricity Rules, 2005, namely:-

1. Short title and commencement.-

- (1) These rules may be called the Electricity (Amendment) Rules, 2022.
- (2) They shall come into force on the date of their publication in the Official Gazette.

2. In the Electricity Rules, 2005, in rule 2 shall be replaced by following:

(1) Definitions:

(a) "Act" means the Electricity Act, 2003 (36 of 2003);

(b) "**central pool**" means pool of category specific power from ISTS connected renewable energy sources being procured by the authorized Intermediary Procurers under Section 63 of the Act and as per provisions of Bidding Guidelines notified by the Central Government, from time to time for supply to the End Procurers of more than one State so that such power from renewable energy sources can be supplied to all End Procurers from the concerned Pool at Uniform tariff under the Rules.

- (c) “**end procurer**” means the persons to whom a license to undertake distribution and retail supply of electricity has been granted under Section 15 of the Act;
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- (d) “**implementing agency**” means the Central Agency as notified by the Central Government from time to time for the implementation of “Uniform Renewable Energy Tariff for Central Pool” under these Rules
- (e) “**intermediary procurer**” means company, *designated* by an order made by the Central Government under these Rules as an intermediary between the End Procurer and the generating company to purchase electricity from generating companies and resell it to the End Procurer by aggregating the purchases or otherwise under Guidelines issued by the Central Government from time to time;
- (f) “**renewable energy**” means the electricity generated from Renewable Energy Sources;
- (g) “**renewable energy sources**” means the hydro, wind, solar, bio-mass, bio-fuel, bio-gas, waste including municipal and solid waste, geothermal, tidal, forms of oceanic energy, and such other sources as may be notified by the Central Government from time to time;
- (h) “**uniform RE tariff**” means the tariff, computed by Implementing Agency on a monthly basis separately for each category of Central Pool (viz. Solar Power Central Pool, Wind Power Central Pool etc.), at which the Intermediary Procurer(s) shall sell power from renewable energy from that Central Pool to all the End Procurers under these Rules;
- (2) The words and expressions used and not defined herein but defined under the Act shall have the meaning respectively assigned to them in the Act.

3. In the Electricity Rules, 2005, after Rule 12, the following shall be added:

13. **Surcharge payable by Consumers seeking Open Access:** The surcharge determined by the State Commission under sub-section (1) (a) of Section 86 of the Electricity Act, 2003 shall not exceed 20% of the Average Cost of Supply.

14. **Timely recovery of power purchase costs by Distribution Licensee:** The Appropriate Commission shall within ninety days of publication of these Rules, specify a price adjustment formula for recovery of the costs, arising on account of the variation in the price of fuel, or power purchase costs. The impact in the cost due to such variation shall be automatically passed through in the consumer tariff, on a monthly basis, using this formula. Such monthly automatic adjustment shall be tried up on annual basis by the Appropriate Commission. The price adjustment shall be in accordance with the methodology enclosed at Annexure.

Provided that till such formula is specified by the Appropriate Commission, the formula given in the methodology shall be applicable.

15. **Subsidy Accounting:** Accounting of due subsidy for the purpose of Section 65 of the Act, shall be done by distribution licensee, in accordance with the Standard Operating Procedure issued by the Central Government, in this regard.

16. **Resource Adequacy:** (1) A Guideline for assessment of Resource Adequacy during the generation planning stage (one year and beyond) as well as during the operational planning stage (up to one year) shall be issued by the Central Government in consultation with the Authority, within six months from the date of notification of these Rules.

(2) The State Commission shall frame regulations on Resource Adequacy, in accordance with the Guidelines issued by the Central Government and the model Regulations framed by Forum of Regulators, if any. The distribution

licensees shall formulate the Resource Adequacy plan in accordance with these Regulations and seek approval of the Commission.

- (3) The State Commission shall review the resource adequacy, every 6 months, for each of the distribution licensees. The State Commission may specify non-compliance charges for failure to comply with the Resource Adequacy target approved by the Commission.
- (4) The National Load Dispatch Centre (NLDC) and the Regional Load Dispatch Centres (RLDCs) shall carry out assessments of Resource Adequacy, for operational planning, at the national and regional levels, respectively, on an annual basis, in accordance with the Guidelines issued by the Central Government.
- (5) The State Load Dispatch Centre (SLDC) shall carry out assessments of Resource Adequacy, for operational planning, at the state level, in consultation with the distribution licensees on an annual basis, in accordance with the Guidelines issued by the Central Government and the direction of the State Commission. Further, the SLDC shall review the operational resource adequacy on a daily, monthly and quarterly basis.

17. Development of Hydro Power: 1)The Authority shall decide the cases for grant of concurrence to hydro- electric generation scheme, in accordance with Section 8 of the Act, within 150 days from the date of submission of the scheme, complete in all respect.

(2) The Authority shall decide the cases for grant of concurrence to off-the river Pumped Storage Plant Scheme, within 90 days from the date of submission of the scheme, complete in all respect.

18. Energy Storage System (ESS): (1) Energy Storage Systems shall be considered as a part of the power system, defined under sub-section (50) of Section 2 of the Act.