

CENTRAL ELECTRICITY REGULATORY COMMISSION

Ground Floor, Chanderlok Building,
36, Janpath, New Delhi - 110 001

No. ADMN-11017/8/2018-CERC

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Engagement of Staff Consultants in the Finance Wing of CERC

1.0 Introduction:

The Electricity Act, 2003 has significantly enlarged the spectrum of responsibility of CERC. Under the ERC Act, 1998 only the tariff fixation powers were vested in CERC. The new law of 2003 has entrusted on the CERC several other responsibilities in addition to the tariff fixation powers, for instance, the powers to grant license for inter-State transmission, inter-State trading and consequently to amend, suspend and revoke the license, the powers to regulate the licensees by setting performance standards and ensuring their compliance, etc.

1.1 Following are the statutory functions of CERC:

- (a) To regulate the tariff of generating companies owned or controlled by the Central Government; to regulate the tariff of generating companies other than those owned or controlled by the Central Government specified in clause (a), if such generating companies enter into or otherwise have a composite scheme for generation and sale of electricity in more than one State;
- (b) To regulate the inter-State transmission of electricity;
- (c) To determine tariff for inter-State transmission of electricity;
- (d) To issue transmission licenses and trading licenses with respect to inter-State operations;
- (e) To adjudicate upon disputes involving generating companies or transmission licensee in regard to matters connected with clauses (a) to (d) above and to refer any dispute for arbitration;
- (f) To levy fees for the purposes of this Act;
- (g) To specify Grid Code having regard to Grid Standards;
- (h) To specify and enforce the standards with respect to quality, continuity and reliability of service by licensees;
- (i) To fix the trading margin in the inter-State trading of electricity, if considered, necessary;
- (j) To discharge such other functions as may be assigned under this Act.

1.2 The Act has also given advisory role to CERC. It has been mandated to advise the Central Government on the matters relating to formulation of National Electricity Policy and Tariff Policy, promotion of competition, efficiency and economy in activities of the electricity industry, and promotion of investment in electricity industry.

1.3 Power sector is evolving in India and the present policy approach mainly aims at moving from cost plus tariff to competitive bidding basis tariff, appropriate regulatory framework for mobilizing investments, and developing electricity markets. However, the cost plus tariff will continue to be important as the assets covered by this regime are of large value.

1.4 Central Electricity Regulatory Commission has, therefore, felt the need for engaging Senior Research Officers (Finance), Research Officers (Finance) and Research Associate (Finance) in accordance with the CERC (Appointment of Consultants) (Amendment) Regulation, 2010 as amended from time to time. The Senior Research Officers/Research Officers/ Research Associates proposed to be engaged by the Commission would assist and augment the work of Finance Wing of the Commission in discharge of its multifarious functions.

2.0 **Scope of work for the Staff Consultants in Finance Wing:-**

- 2.1. Technical scrutiny of tariff petition filed by CPSUs/ companies as regards financial and related parameters for its admissibility in time bound manner in line with requirement/s as laid down in regulations framed (as amended from time to time).
- 2.2. Freezing of Capital cost, admissible expenditure after analyzing claims taking into consideration comments of beneficiaries and analyzing books of accounts, loan documents/data and other related information as furnished or as required by/from the CPSU on the basis of regulations framed (as amended from time to time).
- 2.3. Calculating tariff based on such frozen capital cost, additional expenditure etc. as per regulations & providing input for draft orders.
- 2.4. Carrying out cost benefit analysis in case of Renovation and modernization claims made by CPSU based on regulations and information supplied by the generator/transmission utility as the case may be.
- 2.5. To carry out financial analysis/ studies as well as financial modeling as and when required.
- 2.6. Providing inputs on financial aspects for framing of various regulation / amendments.
- 2.7. Scrutinizing applications & providing input for inter-state transmission licensee / UMPP and adoption of tariff in case of inter-state transmission licensee / UMPP.
- 2.8. Scrutinizing applications & providing input for trading licensee.
- 2.9. Providing financial opinion/ substantive financial advice on issues coming before the Appellate Tribunal for Electricity (ATE), High Court (HC) and Supreme Court (SC). Assisting in framing of replies in this regard.
- 2.10. Loan reconciliation of generating/transmission companies (tariff of which is decided by the Commission) based on information in balance sheets and other additional information as submitted/called for by/from the companies.
- 2.11. Balance sheet analysis of each financial year during the five year period (2009-14). Comparison of accounting data & reconciliation with Regulatory data, deviation analysis with reasons.