

Provided further that in case of expansion of such generating projects, the benefit of sharing of infrastructure of existing project and efficiency of new technology shall be passed on to the consumers through tariff.

- 3.4 Power produced from all renewable energy sources willing to sell their power to the distribution licensees in the State and whose installed capacity is below the minimum capacity permitted for competitive bidding under section 63 of the Act, the Commission may, if required, specify ceiling tariff / cap rate for different renewable energy sources.
- 3.5 Developers of Hydro Electric Projects, including Pumped Storage Plant (PSP) have option of getting their tariff determined in accordance with RTM framework under section 62 for the power to be sold to any distribution licensee in the State through Long-term Power Purchase Agreement, if the following conditions are fulfilled:
 - (i) Long-term PPA is firming upto for 60% or more of the total salable design energy with the distribution licensees in the State;
 - (ii) PPA is approved by the Commission;
 - (iii) Project developers should follow two-stage investment approval mechanism specified in the Tariff Regulations.

4. Power Procurement under Section 63 of the Act: -

Tariff for all power procurement not covered in Regulation 3 of these regulations shall be discovered through competitive bidding route with prior approval of the Commission for the requirement of such capacity to be bid in pursuance to Section 86 (1)(b) of the Act. Further, any deviation from TBCB guidelines shall require prior approval of the Commission.

PART B: MODALITY FOR TRANSMISSION TARIFF

5. STU Transmission Plan: -

- 5.1 The STU shall prepare an updated five-year Transmission System Plan for the State on rolling basis every year following the provision of the State Grid Code read with Indian Electricity Grid Code and other guidelines/ regulations of Central Electricity Authority and submit for approval of the Commission. The State Transmission Plan shall identify specific transmission projects which are required to be taken up specifying (a) Brief Scope of Work, (b) Estimated Cost, (c) Estimated COD/ implementation timelines.

5.2 All intra-State transmission projects shall be consistent with the approved State Transmission Plan. No intra-State transmission project shall be considered for implementation, unless the project is a part of the approved State Transmission Plan, except any urgent work requiring network strengthening / augmentation for safe, secure and reliable operation of the grid as certified by the SLDC.

6. Tariff Determination for InSTS Projects under Section 63 of the Act:

6.1 All new intra-State transmission projects above Rs. 250 Crore, being part of STU Transmission Plan, shall be implemented through Tariff Based Competitive Bidding (TBCB) in accordance with the guidelines issued under Section 63 of the Act and any deviation from the guidelines should have prior approval of the Commission. The tariff of such intra-State transmission projects discovered under Section 63 of the Act shall be adopted by the Commission.

6.2 For the purpose of implementation of TBCB in intra-state transmission system, STU shall act as bid-process coordinator, till any separate body is notified by the State Government.

7. Tariff Determination for InSTS Projects under Section 62 of the Act:

7.1 Tariff for all other intra-State transmission projects not covered under Regulation 6.1 being part of the STU Transmission Plan, shall be determined in accordance with RTM framework under Section 62 of the Act.

7.2 Implementation of augmentation / strengthening works (excluding O&M works) at the intra-State transmission substation and/or line, being part of the STU Transmission Plan, shall be carried out by the concerned transmission licensee who owns the sub-station and/or line in accordance with the provisions under Section 62 of the Act read with Tariff Regulations, for which the STU shall obtain prior approval of the Commission on case-to-case basis.

PART C: MODALITY FOR DISTRIBUTION TARIFF

8. Retail Tariff of the consumers shall be determined in accordance with Section 62 of Electricity Act 2003 following the provisions of the Tariff Regulations.

9. Power to Relax:

The Commission may by general or special order, for reasons to be recorded in writing, and after giving an opportunity of hearing to the parties likely to be affected, may relax any of the provisions of these regulations on its own motion or on an application before it by the affected party.

10. Power to Amend:

The Commission, at any point of time, at its own discretion or otherwise, may vary, alter, modify, add or amend any provisions of these regulations in exercise of its judicial discretion.

11. Power to Remove Difficulties:

If any difficulty arises in giving effect to any of these regulations, the Commission may on its own motion or on an application filed by any affected party, issue such practice directions as may be considered necessary in conformity with the objective of these regulations, Act and Rules, as the case may be.

By the Order of the Commission