

Draft
Chhattisgarh State Electricity Regulatory Commission
Irrigation Colony, Shanti Nagar, Raipur
Raipur, 9th September, 2025

No. D24/CSERC/2025.-- In exercise of powers conferred under Section 61 and 62 read with Section 181(2) and Section 32 (3) of the Electricity Act, 2003 and all other powers enabling it in this behalf, the Chhattisgarh State Electricity Regulatory Commission hereby makes the following regulations:

Draft Chhattisgarh State Electricity Regulatory Commission (Terms and Conditions for determination of Multi-Year Tariff) Regulations, 2025

Chapter 1

PRELIMINARY

1. SHORT TITLE AND COMMENCEMENT:

- (i) These Regulations may be called the Chhattisgarh State Electricity Regulatory Commission (Terms and Conditions for determination of Multi-Year Tariff) Regulations, 2025.
- (ii) These Regulations shall be applicable for determination of tariff under Section 62 and for fees and charges of SLDC as per Section 32 (3) of the Act for the financial year 2026-27 to financial year 2029-30, and will remain in effect until these Regulations are superseded by new Regulations.
- (iii) These Regulations shall extend to the whole of Chhattisgarh.

2. SCOPE AND EXTENT OF APPLICATION:

- 2.1.** These Regulations shall apply to the following persons operating in the State of Chhattisgarh for determination of expected revenue from Tariff and charges and the methodology and procedure for determination of expected revenue from Tariff and charges:

- (a) State Transmission Utility (STU);

- (b) All generating stations supplying power directly or through State trading licensee(s) to distribution licensees of the State under long term agreement except generating stations which are subject to the jurisdiction of the Central Commission and also such renewable energy generating stations located in the State whose tariff is decided by the Commission under relevant Regulations and orders:

Provided that these Regulations shall also apply in all cases where a generating company has the arrangement for supply of coal from the integrated mine(s) allocated to it, for one or more of its specified end use generating stations, whose tariff is required to be determined by the Commission under Section 62 of the Act read with Section 86 thereof.

- (c) All intra-State transmission licensee(s);
(d) All distribution licensee(s); and
(e) State Load Despatch Centre (SLDC):

Provided that in absence of any provision in these Regulations, the Commission shall be guided by norms specified under Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2024 for such period as decided by Commission.

2.2. These Regulations will not apply to

- i. Stand-alone generators, bulk consumers and captive users:

Provided that, the stand-alone generators or any generating stations covered under Section 63 and excusing as Ancillary services who avail services of SLDC for scheduling, energy metering or accounting for the purpose of supply of its power to a licensee and/or consumers or Renewable Energy Certificates or any other such purposes as may be mandated by the Commission from time to time shall be required to pay fee and charges as specified under these Regulations.

- ii. Generating Stations and Transmission System whose tariff has been discovered through a transparent process of competitive bidding in accordance with the competitive bidding guidelines notified by the Central Government and adopted by the Commission under Section 63 of the Act after prudence check.

2.3. All proceedings under these Regulations shall be governed by the CSERC (Conduct of Business) Regulations, 2009 and amendment or enactments thereon.

3. DEFINITIONS: In this Regulation, unless the context otherwise requires,-

- 3.1. “Accounting Statement”** means for each year, the following statements, namely-
balance sheet, profit and loss account and cash flow statement prepared in accordance with the form or requirement contained in the Companies Act, duly certified by the statutory auditors;
reconciliation statement, duly certified by the Chartered Accountant, showing the reconciliation between the total expenses, revenue, assets and liabilities, of the entity as a Company and the expenses, revenue, assets and liabilities, separately for each business regulated by the Commission and other/unregulated business operations:
Provided that, in case separate Accounting Statements are not submitted for each licenced Business in accordance with the licence conditions and for each regulated Business for the financial year 2026-27 onwards, the Petitions filed by the Generating Company or Licensee or SLDC, may be rejected by the Commission after giving the Petitioner a reasonable opportunity of being heard:
Provided further that, till the SLDC is not separately established as a State agency, separate books of accounts for SLDC as separate unit under Chhattisgarh State Power Transmission Company Limited (CSPTCL) shall be maintained and certified by the CSPTCL;
- 3.2. “Act”** means the Electricity Act, 2003 (36 of 2003) or any amendments made to the same or any succeeding enactment thereof;
- 3.3. “Additional capitalization”** means the capital expenditure incurred or projected to be incurred, after the date of commercial operation of the project and admitted by the Commission after prudence check, subject to provisions of Regulation 19;
- 3.4. "Aggregate Revenue Requirement" or "ARR"** means the costs pertaining to the licensed and / or regulated business, which are permitted, in accordance with this Regulation, to be recovered from the tariffs and charges determined by the Commission;
- 3.5. “Allocation Matrix”**, shall comprise of elements as specified in Chapter 6 of this Regulation;
- 3.6. “Annual Target Quantity” or ‘ATQ’** in respect of an integrated mine(s) means the quantity of coal to be extracted during a year from such integrated mine(s) corresponding to 85% of the quantity specified in the Mining Plan:
Provided that, in case the integrated mine(s) of coal is ready for supply of coal as per the Mining Plan but is prevented due to reasons not attributable to the generating

company, the Commission may relax the Annual Target Quantity.

- 3.7. **“Applicant”** means a licensee or a generating company who has made a petition for determination of tariff or a petition for true up in accordance with this Regulation and the Act;
- 3.8. **“Auditor”** means an auditor appointed by a generating company or a transmission licensee or a distribution licensee or the SLDC, in accordance with the provisions of Section 139 or Section 148 of the Companies Act, 2013, or any other law for the time being in force;
- 3.9. **“Auxiliary Energy Consumption in generating station” or “AUX”** in relation to a period in case of a generating station means the quantum of energy consumed by auxiliary equipment of the generating station, such as the equipment being used for the purpose of operating plant and machinery including switchyard of the generating station and transformer losses within the generating station, expressed as a percentage of the sum of gross energy generated at the generator terminals of all the units of the generating station:
- Provided that, auxiliary energy consumption shall not include energy consumed for supply of power to housing colony and other facilities at the generating station and the power consumed for construction works at the generating station:
- Provided further that, auxiliary energy consumption for compliance with revised emission standards, sewage treatment plant and external coal handling plant (jetty and associated infrastructure) shall be considered separately;
- 3.10. **“Auxiliary Energy Consumption for emission control system” or “AUXe”** in relation to a period in case of coal based thermal generating station means the quantum of energy consumed by auxiliary equipment of the emission control system of the coal based thermal generating station in addition to the auxiliary energy consumption under the main clause of this Regulation (AUX); however the AUXe shall not be considered for the purpose of computation of ECR and its impact on the energy charge shall be dealt through supplementary tariff by way of ECR;
- 3.11. **“Auxiliary Energy Consumption in Sub-station” or “AUXs”** in relation to a period in case of sub-station means the quantum of energy consumed for lighting arrangements, battery charging and auxiliary equipment of the sub-station including consumption in control room of the sub-station excluding energy consumed in housing colony;
- 3.12. **“Base Rate of Late Payment Surcharge”** means the marginal cost of funds based on

lending rate for one year of the State Bank of India, as applicable on the 1st April of the financial year in which the period lies, plus five percent and in the absence of marginal cost of funds based lending rate, any other arrangement that substitutes it, which the Central Government may, by notification, in the Official Gazette, specify:

Provided that, if the period of default lies in two or more financial years, the Base Rate of Late Payment Surcharge shall be calculated separately for the periods falling in different years;

3.13. “Battery Energy Storage Systems” or “BESS Project” shall mean the system(s)/projects utilizing methods and technologies such as electrochemical batteries (Lead Acid, Li-ion, solid state batteries, flow batteries, etc.), providing a facility that can store chemical energy and deliver the stored energy in the form of electricity, including but not limited to ancillary facilities (grid support., for example);

3.14. "Beneficiary"

- (a) In relation to a **generating station** means the person buying power generated by such station on payment of annual fixed charges and / or energy charges;
- (b) In relation to **transmission system** means long-term and / or medium-term open access customers as defined in Chhattisgarh State Electricity Regulatory Commission (Intra-State Open Access in Chhattisgarh) Regulations, 2011, as amended from time to time, and includes distribution licensee(s) who have transmission service agreement with the STU / transmission licensee;
- (c) In relation to the **Distribution Wires Business**, the supply Company or licensee or consumer, as the case may be;
- (d) In relation to the **Retail Supply Business**, the consumers;
- (e) In relation to the **SLDC**, generating company or licensee or open access consumer, who utilise the Intra-State Transmission system for transmission of electricity and / or utilise the distribution system of a licensee in the State, as the case may be, for wheeling of electricity and / or avail the services of the SLDC relating to scheduling and real-time grid operations, State energy accounting, operation of pool account, etc.;

3.15. “Capital Cost” means the capital cost as defined in Regulation 19 in respect of generating station or transmission or distribution system as the case may be and Regulation 55 in respect of integrated mine(s);

3.16. “Capital Investment Plan” shall comprise elements as specified in Regulation 7;

3.17. “Change in Law” means occurrence of any of the following events:

- (1) the enactment, bringing into effect, adoption, promulgation, amendment, modification or repeal of Indian law; or
 - (2) adoption, amendment, modification, repeal or re-enactment of any existing Indian law;
 - (3) change in interpretation of Indian law by a competent court, Tribunal or Indian Governmental Instrumentality, which is the final authority under law for such interpretation; or
 - (4) change by any competent statutory authority, in any condition or covenant of any consent or clearance or, approval or licence available or obtained for the project.
 - (5) coming into force or change in any bilateral or multilateral agreement or treaty between the Government of India and any other Sovereign Government having implication for the generating station or the licensees or SLDC regulated under these Regulations;
- 3.18. “Commission”** means the Chhattisgarh State Electricity Regulatory Commission referred to in sub-section (1) of Section 82 of the Act;
- 3.19. “Control Period”** means a multi-year period fixed by the Commission, from 1st April 2026 and up to 31st March 2030;
- 3.20. “Cut-off Date”** means the last day of the financial year closing after thirty-six months from the date of commercial operation of the project except in case of integrated mine(s);
- 3.21. “Date of Commencement of Production”** in respect of integrated mine(s) means the date of touching of coal, as the case may be, as declared by the generating company;
- 3.22. “Date of Commercial Operation” or “COD” means**
- (i) in relation to a unit or block of the thermal generating station, the date declared by the generating company after demonstrating the maximum continuous rating (MCR) or the installed capacity (IC) through a successful trial run after due notice to the beneficiaries, from 00:00 hour of which scheduling process as per the Indian Electricity Grid Code (IEGC) / CG State Grid Code and amended from time to time is fully implemented, and in relation to the generating station as a whole, the date of commercial operation of the last unit or the block of the generating station;
 - (ii) COD in respect of an emission control system means the date of putting the emission control system into use and environmental standards, wherein “emission control system” means a set of equipment or devices required to be installed in coal based thermal generating station or unit thereof to meet the revised emission

standards;

(iii) The date of commercial operation in case of integrated mine(s), shall mean the earliest of —

- a) the first date of the year succeeding the year in which 25% of the Peak Rated Capacity as per the Mining Plan is achieved; or
- b) the first date of the year succeeding the year in which the value of production estimated in accordance with these Regulations, exceeds total expenditure up to that year; or
- c) the date of two years from the date of commencement of production:

Provided that, on earliest occurrence of any of the events under sub-clauses (a) to (c) above, the generating company shall declare the date of commercial operation of the integrated mine(s) under the relevant sub-clause with one-week prior intimation to the beneficiaries of the end-use or associated generating station(s):

Provided further that, in case the integrated mine(s) is ready for commercial operation but is prevented from declaration of the date of commercial operation for reasons not attributable to the generating company or its suppliers or contractors or the Mine Developer and Operator, the Commission, on an application made by the generating company, may approve such other date as the date of commercial operation as may be considered appropriate after considering the relevant reasons that prevented the declaration of the date of commercial operation under any of the sub-clauses of Clause (v) of this Regulation:

Provided also that, in cases wherein the proposed COD is on or after 01.04.2026, generating company seeking the approval of the date of commercial operation under the preceding proviso shall give prior notice of one month to the beneficiaries of the end-use or associated generating station(s) of the integrated mine(s) regarding the date of commercial operation;

- (iv) in relation to a unit of hydro generating station, the date declared by the generating company from 00:00 hour of which, after due notice to the beneficiaries, scheduling process in accordance with the Indian Electricity Grid Code (IEGC) / Chhattisgarh State Grid Code is fully implemented, and in relation to the generating station as a whole, the date declared by the generating company after demonstrating peaking capability corresponding to installed capacity of the generating station through a successful trial run, after due notice to the beneficiaries.

Note

1. In case the hydro generating station with pondage or storage is not able to demonstrate peaking capability corresponding to the installed capacity for the reasons of insufficient reservoir or pond level, the date of commercial operation of the last unit of the generating station shall be considered as the date of commercial operation of the generating station as a whole, provided that it will be mandatory for such hydro generating station to demonstrate peaking capability equivalent to installed capacity of the generating unit or the generating station as and when full reservoir /pond level is achieved;
 2. In case of purely run-of-river hydro generating station, if the unit or the generating station is declared under commercial operation during lean inflow period when the water is not sufficient for such demonstration, it shall be mandatory for such hydro generating station or unit to demonstrate peaking capability equivalent to installed capacity as and when sufficient inflow is available;
- (v) In relation to the transmission system, the date declared by the STU / transmission licensee from 00:00 hour of which an element of the transmission system is in regular service after successful charging and trial operation for transmitting electricity and communication signal from sending end to receiving end:
- Provided that, where the transmission line or substation is dedicated for evacuation of power from a particular generating station, the generating company and transmission licensee shall endeavour to commission the generating station and the transmission system simultaneously as far as practicable:
- Provided further that, the date shall be the first day of a calendar month and its availability shall be accounted for, from that date:
- Provided also that, in case an element of the transmission system is ready for regular service but is prevented from providing such service for reasons not attributable to the transmission licensee, its suppliers or contractors, the Commission may approve the date of commercial operation prior to the element coming into regular service;
- (vi) Date of commercial operation in relation to a communication system or element thereof shall mean the date declared by the transmission licensee from 00:00 hour of which a communication system or element is put into service after completion of site acceptance test including transfer of voice and data to respective control centre as certified by the respective State Load Dispatch Centre;

- (vii) In relation to a distribution system, means the date of charging electric lines or substations to its declared voltage level:

Provided that, in cases where line(s)/substation(s) are declared ready for charging but the licensee is not able to charge for reasons not attributable to the licensee, “date of operation” in respect of such line(s)/substation(s) shall be reckoned as seven days after the line(s)/substations(s) being declared ready for charging;

- 3.23. “Day”** means the 24-hour period starting at 00:00 hour;
- 3.24. “De-capitalisation”** for the purpose of the tariff under these Regulations, means reduction in Gross Fixed Assets of the project corresponding to the removal/deletion of assets as admitted by the Commission;
- 3.25. “Declared Capacity” or “DC”** in relation to a generating station means, the capability to deliver ex-bus electricity in MW declared by such generating station in relation to any time-block of the day or whole of the day, duly taking into account the availability of fuel or water, and subject to further qualification in the relevant Regulation;
- 3.26. “De-Commissioning”** means removal from service of a generating station or a unit thereof or transmission system including communication system or element thereof or Load Despatch Centre equipment including communication system or element thereof or distribution system or element thereof, after it is certified by the Central Electricity Authority or any other authorized agency, either on its own or on an application made by the project developer or the beneficiaries or both, that the project cannot be operated due to non-performance of the assets on account of technological obsolescence or uneconomic operation or a combination of these factors;
- 3.27. “Design Energy” in case of hydro** generating station, means the quantum of energy, which can be generated in a 90% dependable year with 95% installed capacity of the hydro generating station;
- 3.28. “Distribution Wire Business”** means the business of operating and maintaining a distribution system for conveyance of electricity in the area of supply of the distribution licensee;
- 3.29. “ERC”** means expected revenue from tariff and charges that a licensee is permitted to recover;
- 3.30. “Escrow account”** in reference to the Integrated mine means the account for deposit and withdrawal of mine closure expenses of integrated mine(s), maintained in accordance with the guidelines issued by the Coal Controller, Ministry of Coal, Government of India;

- 3.31. **“Existing Generating Station”** means a generating station declared under commercial operation on a date prior to 01.04.2026;
- 3.32. **“Existing Project”** means the project declared under commercial operation on a date prior to 01.04.2026;
- 3.33. **“Expenditure Incurred”** means the fund, whether equity or debt or grant or Consumer Contribution or a combination thereof, actually deployed and paid in cash or cash equivalent, for creation or acquisition of a useful asset and does not include commitments or liabilities for which no payment has been released:
- Provided that, any subsequent payment for creation or acquisition of the assets shall be considered as expenditure incurred from the date of its release;
- 3.34. **“Extended Life”** means the life of a generating station or unit thereof or transmission system or element thereof beyond the period of useful or operational life, as may be determined by the Commission on case-to-case basis;
- 3.35. **“Fees”** means the one-time or annual fixed payments collected by the SLDC on its behalf or any other account as specified by the Commission from time to time;
- 3.36. **“Force Majeure”** means the events or circumstances or combination of events or circumstances, which is beyond the control of the intra-State user involved, which they could not foresee or with reasonable amount of diligence could not have foreseen or which could not be prevented, and which substantially affects the performance of the Parties such as but not limited to:
- (i) acts of God, including lightning, fire and explosion, floods, volcanic eruption, landslide, cyclone, geological surprises, droughts, earthquakes, epidemics, lockdown; or
 - (ii) any act of war, invasion, armed conflict or act of a foreign enemy, blockade, embargo, revolution, riot, insurrection, terrorist or military action; or
 - (iii) strikes and industrial disturbances having a State-wide or extensive impact in the area of supply of a Licensee, but excluding strikes and industrial disturbances in the Licensee's own organization;
 - (iv) grid failure not attributable to agencies involved;
- 3.37. **“Gross Calorific Value” or “GCV”** in relation to a thermal generating station means the heat produced in kcal by complete combustion of one kilogram of solid fuel or one litre of liquid fuel or one standard cubic meter of gaseous fuel, as the case may be;
- 3.38. **“Gross Station Heat Rate” or “SHR”** means the heat energy input in kcal required to

generate one kWh of electrical energy at generator terminals of a thermal generating station;

- 3.39. “Indian Governmental Instrumentality”** means the Government of India, Governments of State (where the project is located) and any ministry or department or board or agency controlled by Government of India or Government of State or the local government where the project is located, or quasi-judicial authority constituted under the relevant statutes in India;
- 3.40. “Infirm Power”** means electricity injected into the grid prior to the commercial operation of a unit(s) of the generating station;
- 3.41. “Input Price”** means the price of coal sourced from the integrated mines at which the coal is transferred to the generating station for the purpose of computing the energy charges for generation and supply of electricity to the beneficiaries and determined in accordance to these Regulations;
- 3.42. “Installed Capacity” or “IC”** means the capacity of the generating station reckoned at the generator terminals as may be approved by the Commission from time to time subject to maximum ceiling limit of the summation of the name plate capacities of all the units of the generating station;
- 3.43. “Integrated Mine”** means the captive mine (allocated for use in one or more identified generating station) or basket mine (allocated to a generating company for use in any of its generating stations) or both, being developed by the generating company for supply of coal to one or more specified end use generating stations for generation and sale of electricity to the beneficiaries;
- 3.44. “Intra-State buyer”** means a distribution licensee or electricity trader or bulk consumer or captive user receiving power through open access by using intra-State transmission system and / or distribution system including such system when it is used in conjunction with inter-State transmission system and whose scheduling, metering and energy accounting is coordinated by the SLDC;
- 3.45. “Intra-State entity”** means such persons whose scheduling, metering and energy accounting is coordinated by the SLDC;
- 3.46. “Intra-State market operation function”** includes functions of scheduling, despatch, metering, data collection, energy accounting and settlement, transmission loss calculation and apportionment, operation of pool account and congestion charge account, administering ancillary services, information dissemination and any other functions assigned to the SLDC by the Act or by Commission’s Regulations and orders;
- 3.47. “Intra-State seller”** means a generating station including captive generating plant or

distribution licensee or electricity trader supplying power through open access by using intra-State transmission system and/or distribution system including such system when it is used in conjunction with inter-State transmission system and whose scheduling, metering and energy accounting is coordinated by SLDC;

- 3.48. “Intra-State user”** means a person whose electrical plant is connected to the State grid at voltage level of 33 KV and above such as a generating company including captive generating plant or transmission licensee (other than CTU and STU) or distribution licensee or bulk consumer including captive user;
- 3.49. “Landed Fuel Cost”** means the total cost of coal (including biomass in case of co-firing), lignite or the gas delivered at the unloading point of the generating station and shall include the base price or input price, washery charges wherever applicable, transportation cost (overseas or inland or both) and handling cost, charges for third party sampling, and applicable statutory charges, and excluding demurrage charges incurred on imported coal, if any;
- 3.50. “Loading Point”** in respect of integrated mine(s) means the location of railway siding or silo or the coal handling plant or such other arrangements like conveyor belt, whichever is nearest to the mine, for dispatch of coal, as the case may be;
- 3.51. “Long-term”** means a period exceeding 7 years;
- 3.52. “Maximum Continuous Rating” or “MCR”** in relation to a unit of the thermal generating station means the maximum continuous output at the generator terminals, guaranteed by the manufacturer at rated parameters, with water or steam injection (if applicable) and corrected to 50 Hz grid frequency and specified site conditions;
- 3.53. “Medium-Term”** means any period exceeding 1 year and up to 7 years;
- 3.54. “Mine Infrastructure”** shall include assets of the integrated mine(s) such as tangible assets used for mining operations, being civil works, workshops, immovable winning equipment, foundations, embankments, pavements, electrical systems, communication systems, relief centres, site administrative offices, fixed installations, handling arrangements, crushing and conveying systems, railway sidings, pits, shafts, inclines, underground transport systems, hauling systems (except movable equipment unless the same is embedded in land for permanent beneficial enjoyment thereof), land demarcated for afforestation and land for rehabilitation and resettlement (R&R) of persons affected by mining operations under the relevant law;
- 3.55. “Mining Plan” or “Mine Plan”** in respect of integrated mine(s) means a plan prepared in accordance with the provisions of the Mineral Concession Rules, 1960, as amended from time to time and approved under clause (b) of sub-section (2) of section 5 of the

Mines and Minerals (Development and Rehabilitation) Act, 1957 by the Central Government or by the State Government, as the case may be;

- 3.56. “New Generating Station”** means the station achieving COD on or anticipated to be achieving COD on or after 1.4.2026;
- 3.57. “Normative Annual Plant Availability Factor” or “NAPAF”** in relation to a generating station means the availability factor specified in Regulation 43 for thermal generating station and in Regulation 44 for hydro generating station;
- 3.58. “Operation and Maintenance Expenses” or “O&M expenses”** means the expenditure on operation and maintenance of the project, or part thereof, and includes the expenditure on manpower expenses, repairs and maintenance spares, consumables, insurance, and general overheads;

For the purpose of this Regulation, O&M expense is the total of the HR and M&G expenses, which in turn have been dealt in the relevant Regulations:

Provided that, for integrated mine(s), the O&M Expenses shall not include the mining charge paid to the Mine Developer and Operator, if any, engaged by the generating company and the mine closure expenses;

- 3.59. “Original Project Cost”** means the capital expenditure incurred by the generating company or the transmission licensee / STU or the distribution licensee, as the case may be, within the original scope of the project up to the cut-off date as admitted by the Commission;
- 3.60. “Peak Rated Capacity” in respect of integrated mine(s)** means the peak rated capacity of the mine, as specified in the Mining Plan;
- 3.61. “Pit Head Generating Station”** means a generating station having dedicated transportation system for transportation of coal from mines up to the generating station without involving any public transportation system;
- 3.62. “Plant Availability Factor (PAF)”** in relation to a generating station for any period means the average of the daily declared capacities (DCs) for all the days during that period expressed as a percentage of the installed capacity in MW reduced by the normative auxiliary energy consumption;
- 3.63. “Plant Load Factor (PLF)”** in relation to thermal generating station or unit for a given period means the total sent out energy corresponding to scheduled generation during the period, expressed as a percentage of sent out energy corresponding to installed capacity in that period and shall be computed in accordance with the following formula:

$$PLF = 10000 \times \sum_{i=1}^{N} SGi / \{N \times IC \times (100 - AUX_n)\} \%$$

Where,

IC = Installed Capacity of the generating station or unit in MW,

SGi = Scheduled Generation in MW for the i^{th} time block of the period,

N = Number of time blocks during the period, and

AUX_n = Normative Auxiliary Energy Consumption as percentage of gross energy generation:

Provided that upon commissioning of the emission control systems or element thereof, the PLF shall be computed as under:

$$PLF = 10000 \times \sum_{i=1}^N SGi / \{N \times IC \times (100 - AUX_n - AUX_{en})\} \%$$

Where,

AUX_{en} = Normative Auxiliary Energy Consumption for the Emission Control System or its element thereof which has been put to use, as percentage of gross energy generation;

- 3.64. **“Project”** means a generating station including integrated coal mines or the transmission system or the distribution system, as the case may be, and in case of a hydro generating station includes all components of generating facility, such as dam, intake water conductor system, power generating station and generating units of the scheme, as apportioned to power generation;
- 3.65. **“Pumped storage hydro generating station”** means a hydro station, which generates power through energy stored in the form of water energy, pumped from a lower elevation reservoir to a higher elevation reservoir;
- 3.66. **“Rated Voltage”** means the manufacturer's design voltage at which the transmission system is designed to operate and includes such lower voltage at which any transmission line is charged or for the time being charged, in consultation with beneficiary;
- 3.67. **“Regulated Business”** means the functions and activities which the licensee is required to undertake, in terms of the licence granted by the Commission or as a deemed licensee under the Act; and the generating company in terms of the provisions of the Act and the Regulations notified by the Commission;

- 3.68. **“Retail Supply Business”** means the business of sale of electricity by a distribution licensee to its consumers in accordance with terms of licence;
- 3.69. **“Retail Supply Tariff”** is the rate charged by the distribution licensee for supply to consumer and includes charges for wheeling and retail supply services;
- 3.70. **“Run-of-River Generating Station”** means a hydro generating station which does not have upstream pondage or submergence;
- 3.71. **“Run-of-River Generating Station With Pondage”** means a hydro generating station with sufficient pondage for meeting the diurnal variation of power demand;
- 3.72. **“Scheduled Commercial Operation Date” or “SCOD”** shall mean the date(s) of commercial operation of a generating station or generating unit or block thereof or transmission system or element thereof as indicated in the CIP or as agreed in power purchase agreement or transmission service agreement as the case may be, whichever is earlier;
- 3.73. **“Scheduled Energy”** means the quantum of energy scheduled by the concerned Load Despatch Centre to be injected into the grid by a generating station for a given time period;
- 3.74. **“Scheduled Generation” or “SG”** at any time or for any period or time-block means schedule of generation in MW or MWh ex-bus, given by the State Load Dispatch Centre;
- 3.75. **“Scheme”** means the facilities and equipment associated with and installed at generating station/ transmission system / distribution system (s) / the SLDC and also includes but not limited to the following, namely:-
- a. computer systems, hardware and software,
 - b. auxiliary power supply system comprising Uninterrupted Power Supply, Diesel Generating Set(s) and DC power system,
 - c. general telephone, fax and other off line communication system,
 - d. other infrastructure facilities, such as air-conditioning, fire-fighting and construction and renovation of buildings,
 - e. any innovative schemes R&D projects and pilot projects for better system operation, such as Synchrophasors, System Protection Scheme,
 - f. Back-up control centres for SLDC,
 - g. Surveillance Camera System, and
 - h. Cyber Security System;

- 3.76. **“Short-Term”** means any period exceeding 1 month and up to 1 year;
- 3.77. **“SLDC charges”** means recurring and monthly payments to be collected by SLDC;
- 3.78. **“Start Date or Zero Date”** means the date indicated in the Investment Approval for commencement of implementation of the project and where no date has been indicated, the date of investment approval shall be deemed to be Start Date or Zero Date;
- 3.79. **“State Load Despatch Centre” or “SLDC”** means the centre established under subsection (1) of section 31 of the Act;
- 3.80. **“State Pool Account”** means the State accounts for payments regarding deviation charges or Reactive Energy Exchanges (Reactive Energy Account) or any other such Accounts, which may be operated by SLDC from time to time as per the Regulations or directions of the Commission;
- 3.81. **“State system operation function”** includes monitoring of grid operations, supervision and control over the intra-State transmission system, real-time operations for grid control and dispatch, system restoration following grid disturbances, compiling and furnishing data pertaining to system operation, congestion management, black start coordination and any other function(s) assigned to the SLDC by the Act and / or by the Commission’s regulations and / or orders;
- 3.82. **“Storage Type Generating Station”** means a hydro generating station associated with large storage capacity to enable variation in generation of electricity according to demand;
- 3.83. **“Transmission Service Agreement (TSA)”** means the agreement, contract, memorandum of understanding, or any such covenant, entered into between the transmission licensee / STU and the beneficiary for the operational phase of the transmission system;
- 3.84. **“Transmission System”** means a line or a group of lines with or without associated sub-station, and includes equipment associated with transmission lines and sub-stations;
- 3.85. **“Trial Run” or “Trial Operation”** in relation to a generating station or a transmission system or an element thereof shall be as specified in the CERC (Terms and Conditions of Tariff) Regulations, 2024 and its amendments/ enactments thereof;
- 3.86. **“Unit”** in relation to a thermal generating station means steam generator, turbine-generator and auxiliaries; and in relation to a hydro generating station means turbine-generator and its auxiliaries;
- 3.87. **“Useful Life”** in relation to a unit of a generating station, transmission and distribution

system from the COD shall mean the following, namely:-

(a) Coal/lignite-based thermal generating station	25 years
(b) Gas/Liquid fuel-based thermal generating station	25 years
(c) AC and DC sub-station	25 years
(d) Gas Insulated Sub-station	25 years
(e) Hydro generating station including pumped storage hydro generating stations	40 years
(f) Transmission line or distribution line	35 years
(g) Optical Ground Wire (OPGW)	15 years
(h) IT system, SCADA and Communication system excluding OPGW	7 years

(i) Integrated mine	As per the Mining Plan:
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Provided that, in the case of coal/lignite based thermal generating stations and hydro generating stations, the Operational Life may be 35 years and 50 years, respectively;

3.88. “Wheeling” means the operation whereby the transmission system or distribution system and associated facilities of a transmission licensee or distribution licensee, as the case may be, are used by another person for the conveyance of electricity on payment of charges to be determined under Section 62 of the Act;

3.89. “Year” means the financial year ending on 31st March,

(a) **“Current Year”** means the year in which the statement of annual accounts or application for determination of tariff is filed;

(b) **“Ensuing Year”** means the year next following the current year; and

(c) **“Previous Year”** means the year immediately preceding the current year.

3.90. The words and expressions used in the Regulation and not defined herein but defined in the Act or Rules notified by the Central / State Government under Section 176 / 181 of the Act or other Regulations notified by the Commission shall have the meaning assigned to them under the Act, Rules and other Regulations notified by the Commission, provided that when a word or phrase is used by the Commission in a specific context, the meaning applicable in that specific context, shall prevail and the generic definition given above may not be applicable.

Chapter 2

GENERAL PRINCIPLES

4. MYT FRAMEWORK

- 4.1.** The Commission in specifying this Regulation is guided by the principles contained in Sections 61 and 62 of the Act, the National Electricity Policy and the Tariff Policy notified by the Central Government for the determination of tariff for the generating stations in the State, transmission licensee/ STU, distribution licensee, Section 32 (3) of the Act for determination of fees and charges for State Load Dispatch Centre (SLDC), and the CERC (Terms and Conditions of Tariff) Regulations, 2024:

Provided that the Commission may, either on suo-motu basis or upon application made to it by a generating company or STU/ transmission licensee or distribution licensee or SLDC, for the reasons to be recorded in writing, exempt the determination of tariff under the Multi-Year Tariff framework for such period as may be contained in the Order granting such an exemption and such tariff shall be determined as per the direction of the Commission.

- 4.2.** The Multi-Year Tariff framework shall be based on the following elements for determination of Aggregate Revenue Requirement and expected revenue from tariff and charges for generating company, STU/ transmission licensee, SLDC, distribution wheeling business and retail supply business:

- (a) Approval of capital investment plan for a period not less than the Control Period before the start of the Control Period;
- (b) Mechanism for Truing up;
- (c) Mechanism for pass through of uncontrollable items;
- (d) Mechanism for sharing of gains or losses on account of controllable items;
- (e) Determination of separate ARR and tariff & charges for each year of the control period;
- (f) Determination of input price of coal from integrated coal mine.

5. PROCEDURE FOR FILING PETITION

- 5.1.** The Multi-Year Tariff Petition shall be filed by the generating company, STU/ transmission licensee, SLDC and distribution licensee as per the timelines specified in these Regulations and in compliance with the principles for determination of ARR as

specified in these Regulations, in such form as may be prescribed by the Commission from time to time.

- 5.2. The generating company, STU/ transmission licensee and SLDC shall file the MYT application by 30th November 2025 in accordance with Regulation 5.7(a)(i), while the yearly true-up Petition shall be filed by 30th November of current year in accordance with Regulation 5.7(b)(i).
- 5.3. The distribution licensee shall file MYT Petition by 30th November 2025 in accordance with Regulation 5.7 (a)(ii), while the yearly true-up Petition shall be filed by 30th November of current year in accordance with Regulation 5.7(b) (ii).
- 5.4. The petitioner shall also submit a statement showing status of compliance to directives issued by the Commission in its previous orders, along with its MYT Petition and/or yearly true-up Petition, as applicable.
- 5.5. All the filings by any licensee should also be in conformity with the provisions of the CSERC (License) Regulations, 2004, its amendment(s) and the conditions of licence. The MYT filing shall be in such form and in such manner as may be prescribed by the Commission from time to time.
- 5.6. Every application for determination of tariff for each year or for continuation of previously determined tariff for each year shall be accompanied by a fee as specified in the CSERC (Fees and Charges) Regulations, 2009, as amended from time to time. The Commission may seek clarification and additional information on the application and the applicant shall provide clarifications and additional information on or before the date stipulated by the Commission.
- 5.7. The filing for the Control Period under this Regulation shall be as under:
 - (a) MYT Petition shall comprise:
 - i. For Generation, Transmission and SLDC business –
 1. Truing up for previous year;
 2. Multi-Year Aggregate Revenue Requirement for each year of the entire Control Period;
 3. Application for determination of tariff and fees and charges for each year of the entire Control Period;
 - ii. For Distribution Wire business and Retail Supply business –
 1. Truing up for previous year;
 2. Multi-Year Aggregate Revenue Requirement for each year of the entire

Control Period;

3. Revenue from retail sale of power at existing tariffs and charges and projected revenue gap/surplus for the first year of the Control Period;
4. Application for retail tariff proposal along with proposed category-wise Tariff or Fees and Charges for the first year of the Control Period.

In case books of account of the Distribution Wire Business and Retail Supply Business are not segregated, its Aggregate Revenue Requirement shall be apportioned between the Distribution Wires Business and Retail Supply Business in accordance with the Allocation Matrix specified in Regulation 80.

(b) After the first year of the Control Period and onwards, the yearly true up petition shall comprise:

- i. For Generation, Transmission, and SLDC business - Truing up for preceding year(s).

Provided that, the STU/transmission licensee shall also file proposal for determination of transmission charges for the ensuing year for the short-term open access customers along with true-up Petition:

Provided further that, the SLDC shall also file proposal for determination of System Operation Charges (SOC) and Market Operation Charges (MOC) for the ensuing year along with the true-up Petition.

- ii. For Distribution Wire and Retail Supply Business

1. The truing up petition for preceding year(s);
2. Revised category-wise sales projections for the ensuing year;
3. Revised power purchase quantum/cost (if any), with details thereof, for the ensuing year;
4. Revised Aggregate Revenue Requirement for the ensuing year on account of revision in the power purchase cost;
5. Projected revenue from existing tariffs and charges for the ensuing year;
6. Projected cumulative revenue gap/surplus for the ensuing year;
7. Application for re-determination of ARR for the ensuing year along-with retail tariff proposal for meeting the revised Aggregate Revenue Requirement for the ensuing year, along with the cumulative revenue gap/surplus after true-up of previous year.

(c) The generating company shall submit generating station-wise performance data along with the true-up Petition.

(d) True up for any period shall be governed by the provisions of the Regulations under

which the tariff for that year was determined:

Provided that, if the Petition is not filed within the specified timelines and/or data sought by the Commission for processing the Petition is not submitted within the stipulated time, then the carrying cost, if any, due to consequential delay, shall not be allowed to the Generating Company or Transmission Licensee or Distribution Licensees or SLDC, as the case may be.

(e) The Commission shall also consider the true up petition for the previous years where the truing-up has been done on the basis of provisional accounts.

- 5.8.** A generating company may make a Petition for determination of provisional tariff in advance of the anticipated Date of Commercial Operation of unit or stage or generating station as a whole, or for the emission control systems, as the case may be, based on the capital expenditure actually incurred up to the date of making the Petition or a date prior to making of the Petition, duly audited and/or certified by the statutory auditors/Chartered Accountant/Cost Accountant and the provisional tariff shall be applicable from the date of commercial operation of such Unit or Stage or Generating station, as the case may be.
- 5.9.** The generating company shall file separate generating station-wise petition for supplementary tariff for emission control systems.
- 5.10.** In respect of Integrated mine, the generating company shall file separate mine-wise Petition for determination of input price of coal from such mine.
- 5.11.** A generating company shall make a fresh Petition in accordance with these Regulations, for determination of final tariff / supplementary tariff based on actual capital expenditure incurred up to the date of commercial operation of the Generating Station, or for the emission control systems, as the case may be, for which provisional tariff is approved, based on Annual Audited accounts duly certified by the statutory auditors.
- 5.12.** Any difference in provisional tariff and the final tariff (the expression tariff includes the supplementary tariff) determined by the Commission and not attributable to the Generating Company may be adjusted at the time of determination of final tariff for the following year or as directed by the Commission.

6. DISPOSAL OF PETITION

- 6.1.** The Commission shall process the Multi-Year Tariff Petition of the applicants in accordance with these Regulations read with the CSERC (Conduct of Business) Regulations 2009, as amended from time to time.
- 6.2.** Copies of the Tariff Petition filed by Generation Company, STU/ transmission licensee,

distribution licensee and SLDC shall be made available for sale on payment of charges at the Commission's office and in such offices of the applicant as directed by the Commission.

6.3. The Tariff Petition shall also be uploaded on the Petitioner's website and the Commission's website in downloadable format for easy accessibility to all stakeholders.

6.4. The Commission shall hold proceedings on the ARR and expected ERC proposed by the applicant on the basis of prevailing and proposed tariff, and shall hear such persons as the Commission considers appropriate, before deciding on such proposals.

6.5. The generation company, STU/ transmission licensee, distribution licensee, and SLDC shall publish the summary/gist of the proposals, as approved by the Commission for publication, highlighting the salient features of the Petition that are of interest to various stakeholders, in at least three newspapers, two in Hindi and one in English, having wide circulation in the State or in the area of the Petitioner:

Provided that minimum 21 days' time shall be given for filing suggestion/ objections by the stakeholders.

6.6. The Petitioner shall publish the gist of the order including the approved tariffs, in at least three daily newspapers, two in Hindi and one in English, having wide circulation in its area of supply:

Provided that such tariff shall take effect from the date as may be stipulated by the Commission in the relevant Tariff Order.

6.7. The Commission shall, within seven days of making the order, send a copy of the Order to the State Government, the Central Electricity Authority and the concerned generating company / licensee/ SLDC.

7. CAPITAL INVESTMENT PLAN

7.1. The generating company, STU/ transmission licensee, SLDC, and distribution licensee shall file the capital investment plan for approval of the Commission by 31st October 2025.

7.2. The capital investment plan shall cover the entire Control Period, with separate details for each year of the Control Period.

7.3. The capital investment plan may be in respect of new generation projects or transmission/ distribution schemes (for lines, sub stations, bays, etc.) or system operation for capacity addition/ enhancement or renovation of existing capacities on

completion of useful life or work required for compliance of law or expenditure incurred to comply with revised emission standards or deferred execution of work included in original scope or efficiency improvement or such works, which may be expedient for operation of the system:

- (a) The capital investment plan shall show separately, on-going projects that will spill over into the Control Period, and such new projects (along with justification) which will commence in the Control Period but may be completed within or beyond the Control Period.
 - (b) The capital investment plan shall contain the scheme details, item-wise break-up of capital cost, justification for the work, capitalization schedule, capital structure, cost-benefit analysis, and approval of the competent authority for the schemes, as applicable.
 - (c) In addition to above:
 - i. The generating company shall submit the power sale arrangement in respect of new projects.
 - ii. For renovation and modernisation schemes of power plants and all schemes meant for efficiency gain of power plants which have completed useful life, the generating company shall submit a petition containing the cost-benefit analysis and expected performance targets along with RLA study report;
 - iii. The transmission licensee shall submit the power evacuation plan and system strengthening plan in respect of future load forecast by the distribution licensee;
 - iv. The distribution licensee shall submit the sales forecast, load forecast, power procurement plan, and proposed measures to ensure 24x7 quality supply;
 - v. The distribution licensee shall submit a plan for installation of meters at all connections, to bring transparency in billing, to reduce distribution loss and to improve consumer services.
- 7.4.** The Commission shall approve the capital investment plan after considering cost benefit analysis and also prudence check and after giving due opportunity to all the stakeholders to offer views/ suggestions/ objections and holding a hearing on the proposed plan and after taking into consideration the objections/ suggestions so received and any additional information provided by the applicant.
- 7.5.** The Commission shall approve the capital investment plan before issuing the Tariff Order in accordance with these Regulations and shall consider the impact of approved capital investment plan in the Tariff Order.

- 7.6. To meet any urgent requirements, the generating company, STU/ transmission licensee, distribution licensee and SLDC may request the Commission for amendment in the approved capital investment plan or may file additional CIP, as the case may be.
- 7.7. The licensee or the generating company, as the case may be, in case, where urgent action is required to mitigate threat to life and property take up urgent work, subject to prior intimation of the nature of urgency, brief about the proposed work and cost estimate. In such cases, ex-post facto approval of the Commission may be obtained.

8. SPECIFIC TRAJECTORY FOR CERTAIN VARIABLES

- 8.1. The Commission may stipulate the trajectory for ‘controllable’ variables in the Tariff Order.

9. DETERMINATION OF TARIFF

- 9.1. Notwithstanding anything contained in this Regulation, the Commission shall at all times have the authority, either on suo-motu basis or on a Petition filed by the applicant, to determine the tariff, including terms and conditions thereof, of any generating company or STU/ transmission licensee or distribution licensee or SLDC.
- 9.2. Tariff in respect of a generating station may be determined for the whole of the generating station or a stage or unit or block of the generating station, and tariff for the transmission system may be determined for the whole of the transmission system or any part of the transmission system.
- 9.3. The retail supply tariff, wheeling charges and miscellaneous charges for the distribution licensee shall be determined by the Commission for whole of the distribution system.
- 9.4. The Commission shall determine the tariff and input price and fees and charges for:
- (a) Generation of electricity, in accordance with Chapter-4 of these Regulations;
 - (b) Coal and lignite from integrated mine, in accordance with Chapter-5 of these Regulations;
 - (c) Transmission of electricity, in accordance with Chapter-6 of these Regulations;
 - (d) Distribution Wheeling Business, in accordance with Chapter-7 of these Regulations;
 - (e) Retail Supply Business, in accordance with Chapter-8 of these Regulations; and
 - (f) SLDC, in accordance with Chapter-9 of these Regulations;
 - (g) Battery Energy Storage Systems, in accordance with Chapter-10 of these