

“बिजनेस पोस्ट के अन्तर्गत डाक शुल्क के नगद भुगतान (बिना डाक टिकट) के प्रेषण हेतु अनुमत. क्रमांक जी. 2-22-छत्तीसगढ़ गजट/38 सि. से. भिलाई, दिनांक 30-5-2001.”



पंजीयन क्रमांक "छत्तीसगढ़/दुर्ग/
तक. 114-009/2003/20-1-03."

छत्तीसगढ़ राजपत्र

(असाधारण)

प्राधिकार से प्रकाशित

क्रमांक 135-अ]

रायपुर,, गुरुवार,, दिनांक 22 मई, 2008 – ज्येष्ठ 1, शक 1930

Chhattisgarh State Electricity Regulatory Commission G.E. Road, Civil lines, Raipur

Statement of objects and reasons:

With a view to promote generation of electricity from renewable sources of electricity, the Electricity Act, 2003 enjoins upon the State Regulatory Commission inter-alia to specify purchase of electricity from such sources by a distribution licensee, a percentage of the total consumption of electricity in his area. The Tariff Policy notified by the Government of India on 6.1.2006 mandates that the procurement of energy generated by non-conventional sources by the distribution licensees should be done at 'preferential tariff' determined by the State Commissions, 'since it will take some time before the non-conventional technology could compete with the conventional sources, in terms of cost of electricity'. The National Electricity Policy also speaks of promotion of non-conventional source of electricity. In view of the provisions in the Electricity Act, the National Electricity Policy and the Tariff Policy for the promotion of generation of electricity from non-conventional energy sources, Regulations are required to be framed by the State Commission to achieve this important objective. These regulations are being framed for the purpose of determination of tariff for electricity generated by biomass-based generation plants and small hydel projects, the two non-conventional sources of electricity which have scope in the State of Chhattisgarh, for supply of electricity to distribution licensees. Wind and solar energy are not covered in these regulations as presently the scope for such sources is not established in the State, and secondly the terms and conditions of tariff determination of generation of such sources will be different from biomass-based / hydel plants. In case the scope for wind energy and solar energy is established these will be added on to these Regulations. Although the Commission has passed comprehensive orders on the promotion of biomass-

based generating plants as also small hydel projects, separately, these regulations are being issued in compliance of the orders of the Hon'ble Appellate Tribunal for Electricity dated 07.09.2006, passed in appeal No 20 of 2006, in which there is a specific direction for framing of regulations for determination of tariff for procurement of power by distribution licensee from non-conventional energy sources. Hence these Regulations.

**Chhattisgarh State Electricity Regulatory Commission (Terms and conditions
for determination of generation tariff and related matters for electricity
generated by plants based on non-conventional sources of energy)
Regulations, 2008**

Raipur, Dated 22/05/2008

No. 28/CSERC/2008 - In exercise of powers vested under section 61 read with Section 181(zd) of the Electricity Act 2003 (36 of 2003) and all powers enabling it in that behalf, the Chhattisgarh State Electricity Regulatory Commission hereby makes the following Regulations specifying the terms and conditions of tariff for small hydro electricity generating stations and electricity generating stations based on biomass for the purpose of sale of power to distribution licensees:

1. SHORT TITLE, COMMENCEMENT AND EXTENT

- (1) These Regulations shall be called the Chhattisgarh State Electricity Regulatory Commission (Terms and conditions for determination of generation tariff and related matters for electricity generated by plants based on non-conventional sources of energy) Regulations, 2008.
- (2) These Regulations shall come into force from the date of their publication in the Chhattisgarh Rajpatra.
- (3) These Regulations shall extend to the whole of the State of Chhattisgarh and shall be applicable to distribution licensees in the State including the Chhattisgarh State Electricity Board (CSEB), and its successor, and small hydro electricity generating stations and biomass-based electricity generating stations, established in the state.

2. DEFINITIONS AND INTERPRETATION

- (1) In these Regulations, unless the context otherwise requires:
 - (i) **"Act"** means the Electricity Act, 2003 (36 of 2003), as amended from time to time;
 - (ii) **"Auxiliary Energy Consumption"** or 'AUX' in relation to a period means the quantum of energy consumed by auxiliary equipments of the generating station and transformer losses within the generating station, and shall be expressed as a percentage of the sum of gross energy generated at the generator terminals of all the units, combined or separately of the generating station;
 - (iii) **"Capacity Utilization Factor"** or "CUF" for a given period, means the total electricity sent out corresponding to actual generation during the reference period, expressed as a percentage of sent out electricity corresponding to installed capacity in that reference period and shall be

computed in accordance with the following formula;

$$\text{CUF} = \frac{\text{Gross generation over the reference period} \times 100\%}{\text{Installed capacity} \times \text{total hours during the reference period (including outage hours)}}$$

- (iv) **"CERC"** means the Central Electricity Regulatory Commission.
- (v) **"Commission"** means the Chhattisgarh State Electricity Regulatory Commission;
- (vi) **"Cut off Date"** means the date of the first financial year closing after one year of the date of commercial operation of the generating station;
- (vii) **"Date of Commercial Operation" or 'COD':**
 - (i) in relation to a generating unit means the date declared by the generator after demonstrating the maximum continuous rating (MCR) or installed capacity (IC) through a successful trial run, after notice to the beneficiary.
 - (ii) in relation to the generating station means the date of commercial operation of the last unit or block of the generating station in accordance with the clause (i) above;
- (viii) **"Financial Year"** means a period commencing on 1st day of April of a calendar year and ending on 31st March of the subsequent calendar year;
- (ix) **"Firm Power"** In relation to **biomass based generating plant** means supply of electricity after COD which is equal or more than 70% of the scheduled energy in a given period of time, however, energy supplied more than 100% of the scheduled energy, on annualized basis, will not be treated as firm power. In relation to **small hydro-generating stations** it means any electricity supplied from and after the COD if the entire generated electricity is supplied to a distribution licensee(s).
- (x) **"Gross Calorific Value" or 'GCV'** in relation to a biomass based power generating station means the heat produced in KCal by complete combustion of one kilogram of solid fuel.
- (xi) **"Gross Station Heat Rate" or "GSHR"** means the heat energy input in kCal required to generate one kWh of electrical energy at generator terminals;
- (xii) **"Infirm Power"** means electricity generated prior to declaration of date of commercial operation of generating station/ unit.
- (xiii) **"Installed Capacity" or "IC"** means the summation of the name plate capacities of all the units of the generating station or the capacity of the generating station (reckoned / tested at the generator terminals), as approved by the Commission from time to time;
- (xiv) **"Licensee"** means a distribution licensee operating in the State.
- (xv) **"Maximum Continuous Rating" or "MCR"** in relation to a unit of the biomass based generating station means the maximum continuous output at the generator terminals, guaranteed by the manufacturer at rated parameters,

- (xvi) **"Non-firm power"** means electricity supplied by biomass-based plants after COD of the concerned plant, to a distribution licensee which is less than 70% of the scheduled electricity in a given period. Electricity supplied by the generating station more than 100% of scheduled electricity on annualized basis shall also be treated as non-firm power. However, in case of small hydel plants this condition will apply only when the plant supplies power to third party(s) also other than the distribution licensee(s).
 - (xvii) **"Project / Plant"** means a generating station;
 - (xviii) **"Scheduled Generation"** at any time or for any period or time block means schedule of generation in MW or MU ex-bus given by the State Load Despatch Centre;
 - (xix) **"Small Hydro Electricity generating station" or "SHP"** means the hydro electricity generating station, up to and including installed capacity of 25 MW.
 - (xx) **"State"** means the State of Chhattisgarh;
- (2) Words and expressions used in these Regulations and not defined shall have the same meaning as they have in the Act and other Regulations made by the Commission

3. PRINCIPLES OF TARIFF DETERMINATION

- (1) Tariff shall be determined for purchase of electricity by distribution licensee by a generating company that generates electricity from the two renewable sources of energy namely, biomass and small hydro. However, these regulations will not apply in case power purchase agreements (PPAs) have already been entered into by any generating company with CSEB and other distribution licensees, prior to the date of notification of these regulations. The tariff for such plants shall be as per the provision for tariff made in the respective PPAs in terms of this Commission's order dated 15.01.2008 passed in petition no. 07 of 2005 in case of biomass-based plants.
- (2) Duration of tariff: The Commission shall determine tariff for supply of power to distribution licensees for the period of the PPA entered into with the non-conventional energy sources and it shall generally be for a period of ten years or more.
- (3) The Commission shall determine tariff separately for electricity generated from each kind of renewable source of energy, provided that where the tariff has been determined through a transparent process of bidding in accordance with the guidelines issued by the Central Government, under section 63 of the Act, the Commission shall proceed to adopt such tariff.
- (4) The Commission shall, as far as possible, be guided by the principles and methodologies laid down in Section 61 and 62 of the Act, and the principles specified by the CERC and in the NEP and Tariff Policy 2006, notified by the Government of India, while determining tariff for electricity generated from renewable sources of energy. The Commission may deviate from the above,

by giving reasons in writing, in order to accommodate the specific nature of renewable sources of energy.

- (5) While determining tariff, the Commission will be guided specifically by para 6.4 of the Tariff Policy, which states: -

"It will take time before non-conventional technologies can compete with the conventional sources in terms of cost of electricity. Therefore, procurement by distribution companies shall be done at preferential tariff determined by the Appropriate Commission."

- (6) While determining tariff, the Commission may, to the extent possible make allowance for technology, fuel, market risk, environmental benefits and social contribution etc., of each type of renewable sources of energy.

4. APPLICATION FOR DETERMINATION OF TARIFF

- (1) A generating company shall make an application for determination of tariff as per the formats given in the CERC "Details to be Furnished by Licensee or Generating Company for Determination of Tariff and Manner of Making Application) Regulations, 2004 (Tariff Regulations, for short).

- (2) In case of a generating station is under implementation, an application for fixation of tariff can be made in two stages, as follows:

(i) A generating company may make an application as per Annexure I of the Tariff Regulations, for determination of provisional tariff in advance of the anticipated date of completion of the project, based on the capital expenditure actually incurred up to the date of making of the application or a date prior to making of the application, duly audited and certified by the statutory auditors, and the provisional tariff shall be charged from the date of commercial operation of the respective unit of the generating station.

(ii) The company shall make a fresh application as per Annexure I of the Tariff Regulations, for determination of final tariff based on actual capital expenditure incurred upto the date of commercial operation of the generating station, duly audited and certified by the statutory auditors.

5. NORMS FOR DETERMINATION OF TARIFF FOR BIOMASS BASED GENERATING STATIONS.

5.1 Components of Tariff

1. Tariff for sale of electricity of a biomass-based power generating station shall comprise of two parts, namely, fixed charges and energy (variable) charges.
2. The fixed charges shall consist of:
 - a. Interest on loan capital;
 - b. Depreciation, including Advance Against Depreciation;
 - c. Return on equity;

- d. Operation and maintenance expenses; and
 - e. Interest on working capital.
3. The energy (variable) charges shall cover the fuel cost.

5.2 Normative Values:

- (i) **Capital Cost:** For determination of tariff, the capital cost shall be determined by the Commission on the basis of the average cost for various generation capacities prevailing at the time of application.
- (ii) **Target Capacity Utilization Factor for recovery of full (Fixed) charges:** The target Capacity Utilization Factor (CUF) for recovery of full (fixed) charges for all biomass based power generating stations shall be 80%.
- (iii) **Fuel Ratio:** The ratio of biomass and coal / fossil fuel used for generation of electricity will be 85:15 as notified by Ministry of New and Renewable Energy, Government of India vide their order dated 20.12.2006, unless modified.
- (iv) **Gross Station Heat Rate (GSHR):** The gross station heat rate for biomass based generating stations shall be based on the actual PG test report of generating plant and / or the design heat rate of the generating plant. An allowance of 5% over the gross heat rate shall be given to cover the operational uncertainties. To take care of various losses, an allowance of 5% of over the gross heat rate derived as above shall also be provided.
- (v) **Gross Calorific Value (GCV):** Average GCV for fuel including coal / fossil fuel shall be as per the quality of fuel.
- (vi) **Cost of Fuel:** The cost of biomass and coal will be considered by the Commission on the basis of prevailing market rate.
- (vii) **Auxiliary Energy Consumption:**
The auxiliary energy consumption for Biomass based generating station shall be considered as 10% for units of any size for determination of tariff.

5.3 Debt-Equity Ratio:

- (i) In case of all biomass based generating stations the debt–equity ratio as on the date of commercial operation shall be 70:30 for determination of tariff. Where equity employed is more than 30%, the amount of equity for determination of tariff shall be limited to 30% and the balance amount shall be considered as the normative loan.

Provided that in case of a generating station where actual equity employed is less than 30%, the actual debt and equity shall be considered for determination of tariff.
- (ii) The debt and equity amount arrived at in accordance with sub clause (i) shall be used for calculating interest on loan, return on equity, advance against depreciation and foreign exchange rate variation.

5.4 Interest on Term loan:

- (a) Interest on loan capital shall be computed loan wise on the loans arrived at in the manner indicated in the clause 5.3 above.
- (b) The generating company may swap the loan in case it results in net benefit to the company. The generating company may retain 50% of the profit made on account of swapping of loan and the remaining 50% will be passed on to the distribution licensee through tariff.
- (c) The changes in the terms and conditions of loan shall be taken from the date of such swapping.
- (d) In case of any dispute, any of the parties may approach the Commission. However, the distribution licensee shall not withhold any payment due to the generating company during pendency of any dispute relating to swapping of loan.
- (e) In case any moratorium period is availed of by the generating company, the depreciation provided for in the tariff during the years of moratorium shall be treated as repayment during those years and interest on loan capital shall be calculated accordingly.
- (f) The rate of interest on term loans shall be actual rate of interest on which the loan is taken subject to prudence check by the Commission.

5.5 Depreciation, including Advance Against Depreciation

- (a) For the purpose of tariff, depreciation shall be computed in the following manner:
 - (i) The value base for the purpose of depreciation shall be the historical cost of the asset.
 - (ii) Depreciation shall be calculated on annual basis, on straight line method over the useful life of the asset and at the rates as notified by the CERC.

The residual value of the asset shall be considered as 10% and depreciation shall be allowed up to maximum of 90% of the historical capital cost of the asset.

Land is not a depreciable asset and its cost shall be excluded from the capital cost while computing 90% of the historical cost of the asset.
 - (iii) On repayment of entire loan, the remaining depreciable value shall be spread over the balance useful life of the asset.
 - (iv) Depreciation shall be chargeable from the first year of operation. In case of operation of the asset for part of the year, depreciation shall be charged on *pro rata* basis.
- (b) In addition to allowable depreciation, the generating company shall be entitled to a advance against depreciation (AAD), computed in the manner given hereunder:

AAD = Loan repayment amount as per regulation 5(4) subject to a ceiling of 1/10th of loan amount as per regulation 5(3) minus depreciation as per schedule

Provided that advance against depreciation shall be permitted only if the cumulative repayment up to a particular year exceeds the cumulative depreciation up to that year;

Provided further that advance against depreciation in a year shall be restricted to the extent of difference between cumulative repayment and cumulative depreciation up to that year.

5.6 Return on Equity

Return on equity shall be computed on the equity base determined in accordance with regulation 5.3 at the rate of a maximum @ 16% per annum. Provided that equity invested in foreign currency shall be allowed a return up to the prescribed limit in the same currency and the payment on this account shall be made in Indian rupees based on the exchange rate prevailing on the due date of billing.

Explanation

The premium raised by the generating company while issuing share capital and investment of internal resources created out of free reserve of the generating company, if any, for the funding of the project, shall also be reckoned as paid up capital for the purpose of computing return on equity, provided such premium amount and internal resources are actually utilized for meeting the capital expenditure of the generating station.

5.7 Operation and Maintenance (O&M) expenses

The normative operation and maintenance expenses for plants of all capacities shall be 5% of the project cost.

An annual escalation may be allowed on such expenses. The operation and maintenance expenses shall include Repairs and Maintenance expenses, Employees Cost, Administrative and General expenses and also insurance.

5.8 Interest on Working Capital

The rate of interest on working capital shall be actual rate of interest on which the loan for working capital is taken and shall be a maximum of 2% above the short-term Prime Lending Rate of State Bank of India as on 1st April of the base year in which the tariff is to be determined.

For the purpose of working out interest, working capital shall cover:

- (i) the cost of fuel (coal and biomass) for 3 months; and
- (ii) the operation and Maintenance expenses for one month; and
- (iii) the receivables equivalent to 1½ months of fixed and variable charges for sale of electricity calculated on the target capacity utilization factor.

- 5.9. **Energy (Variable) Charge:** Energy (variable) charges shall cover fuel cost and shall be worked out on the basis of ex-bus energy delivered / sent out from the generating station.
- 5.10. **Rate for Infirm Power:** Rate for power supplied to a licensee prior to declaration of date of commercial operation shall be equal to energy (variable) charges.
- 5.11. **Rate for non-firm Power:** Rate for non-firm power shall be equal to energy (variable) charges plus 30 paise per unit.

6. **NORMS FOR DETERMINATION OF TARIFF FOR SMALL HYDEL GENERATING STATION**

- 6.1. **Components of Tariff.** A small hydel plant shall not have any variable cost component. Hence the tariff for sale of electricity from a small hydel generating station shall consist of only the fixed cost i.e. -

- a. Interest on loan capital
- b. Depreciation, including Advance Against Depreciation;
- c. Return on equity;
- d. Operation and maintenance expenses; and
- e. Interest on working capital.

6.2. **Normative values:**

(i) **Auxiliary Energy Consumption:**

For final tariff determination actual auxiliary consumption and transformation losses together will be taken into account, on the basis of test reports, but subject to a maximum of 2%. For the purpose of determination of provisional tariff auxiliary consumption and transformation losses together will be considered as 2%. Transformation losses will be considered only for the generator transformer(s) installed in the project area.

(ii) **Target Capacity Utilization Factor (CUF):**

The CUF for determination of tariff will be 40% or as claimed by the generating stations, whichever is higher.

- 6.3. **Capital Cost of the project:** Subject to prudence check by the Commission, the actual expenditure incurred on completion of the project shall form the basis for determination of final tariff. The final tariff shall be determined based on the admitted capital expenditure actually incurred up to the date of commercial operation of the generating station and shall include capital spares subject to a ceiling norm of 1.5% of the original admitted project cost, as on the cut off date.

The scrutiny of the project cost estimates by the Commission may be limited to the reasonableness of the capital cost, financing plan, interest during

construction, use of efficient technology and such other matters for the purposes of determination of tariff, as may be decided by the Commission.

(2) **Additional capitalization:** The following capital expenditure within the original scope of work actually incurred after the date of commercial operation and up to the cut off date may be admitted by the Commission subject to prudence check:

- (i) Deferred liabilities
- (ii) Works deferred for execution,
- (iii) Procurement of initial capital spares in the original scope of works subject to ceiling specified in regulation 10(1)
- (iv) Liabilities to meet award of arbitration or in compliance of the order or decree of a court and
- (v) On account of change in law.

Provided that original scope of works along with estimates of expenditure shall be submitted along with the application for provisional tariff.

Provided further that a list of the deferred liabilities and works deferred for execution shall be submitted along with the application for final tariff after the date of commercial operation of generating station.

The capital cost will be allowed to a maximum of ceiling of Rs. 5 crores / MW. This may also include the cost of laying of transmission lines for evacuation of power. Considering the topography of the State and the likelihood of many SHPs being located in remote areas, which may require considerable length of transmission lines exceeding 10 Ks and also the geological surprises which may not have been foreseen and may come to be known at a time of execution of the projects, in such cases the project cost that can be allowed up to a maximum ceiling of Rs. 5.5 crores per MW. This would be an exception rather than the rule. For the purpose of provisional tariff determination the capital cost will be allowed as Rs. 4.75 crores per MW.

- 6.4. **Debt-Equity Ratio:** The debt equity ratio shall be as per clause 5.3.
- 6.5. **Interest on Term loan:** The interest on term loan shall be as per clause 5.4.
- 6.6. **Depreciation, including Advance Against Depreciation:** Depreciation and AAD shall be reckoned as per clause 5.5 above.
- 6.7. **Return on Equity:** The return on equity shall be a maximum of @16% per annum as per clause 5.6 above.
- 6.8. **Operation and Maintenance expenses:** The normative operation and maintenance expenses for generating units of all sizes shall be 2.5% of the project cost, which may be escalated at the rate of 5% annually.

The base operation and maintenance expenses shall include Repairs and Maintenance expenses, Employee Cost, Administrative and General expenses and also insurance.

6.9. **Interest on Working Capital**

Rate of interest on working capital shall be the actual rate of interest on which the loan for working capital is taken subject to a maximum of 2% above the short term Prime Lending Rate of State Bank of India / Reserve Bank as on 1st April of the year in which the generating station or a unit thereof is declared under commercial operation. However, if no loan is taken for working capital, the interest will be allowed for tariff determination at the rate equal to short term prime lending rate of State Bank of India on the 1st day April of the year in which the generating station is declared under commercial operation.

For the purpose of calculation of interest on working capital shall cover

- (i) Operation and Maintenance expenses for one month.
- (ii) Maintenance spares @1% of the capital cost of project escalated @6% per annum from the date of commercial operation; and
- (iii) Receivables equivalent to 2 months of fixed charges for sale of electricity calculated on the target capacity utilization factor.

6.10. **Tariff for Infirm power:** The target for power supplied by SHP to a distribution licensee prior to declaration of the date of commercial operation shall be equal to 50% of the tariff for firm power.

6.11. **Tariff for Non-firm Power:** The tariff of non-firm power supplied by a SHP to distribution licensee shall be the same as for infirm power as mentioned in 6.10 above.

6.12. **Royalty on Water:** Royalty paid by small hydro-generating stations to the Govt. of Chhattisgarh on the water used in the project will be treated as pass through in tariff.

7. **OPEN ACCESS CHARGES**

- (i) **Transmission / Wheeling Charges:** The transmission and wheeling charges payable by renewable energy sources for the use of transmission and / or distribution open access shall be 6% of the energy input into the system. Other than these charges, they shall not be liable to pay any transmission charges or wheeling charges either in cash or kind. However, surcharge shall be payable where the wheeling of energy is other than for their own use.
- (ii) **Cross-subsidy surcharge:** The cross subsidy surcharge shall be 50% of the surcharge payable by other open access customers as fixed by the Commission from time to time.

8. **SUBSIDY FROM MINISTRY OF NEW AND RENEWABLE ENERGY (MNRE):** Subsidy received, if any, by biomass based plant or SHP from the Central Government shall not be taken into account in determination of tariff.

9. **CLEAN DEVELOPMENT MECHANISM (CDM) benefits:** CDM benefits received, if any, by any biomass based plants or SHP will be not be taken into account for the purpose of tariff determination for a period of five years from the date of commercial production.

10. TERM OF POWER PURCHASE AGREEMENT: The term of power purchase agreement by any biomass plant or SHP with a distribution licensee, shall be 20 years from the date of declaration of commercial operation of the station. PPAs can be extended for a reasonable period., on the terms and conditions on tariff as may be decided by the Commission at the time of renewal and the draft of PPA shall be got approved from the Commission before entering into the same.

11. SCHEDULING OF POWER:

- (i) Biomass based plants: Biomass based plants are required to schedule power to be supplied from and after the date of commercial operation, on monthly basis. They shall be required to give monthly schedule for energy proposed to be sold to a distribution licensee at least 15 days in advance.
- (ii) Small Hydel Plants: The small hydel plants because of their nature of generation are exempt from such scheduling of power. These exemptions will be applicable only when the entire electricity generated is sold to a licensee. If a SHP sells power to a third party and or to captive users, in addition to the licensee, it has to provide monthly scheduling of energy being supplied to the licensee. Accounting of energy shall be on monthly basis. If the load factor is less than 70% of the scheduled energy, during a month, it will be treated as non-firm power. Further, energy supplied by SHP more than 100% of scheduled energy on annualized basis shall also be treated as non-firm power.

12. SALE OF INFIRM POWER: Any revenue earned by the generating company from the sale of infirm power, shall be taken as reduction in capital cost and shall not be treated as revenue.

13. BANKING:

13.1 The banking of electricity shall be permissible to the generators subject to the following conditions: -

- (i) Only such plants, which have not entered into agreements with CSEB / licensee for supply of electricity generated in full to the latter shall be entitled to banking facility.
- (ii) The generator installs ABT meters at his end and the point at which the licensee receives the power for banking.
- (iii) The period of banking will be limited to three months.
- (iv) The generator pays banking charges at the rate of 2% of the banked energy per month. Banking charge will be in the form of energy, which will be adjusted by the licensee while releasing the banked power. Such charges will meet the expenses incurred by the licensee in maintaining the energy accounts etc.

13.2 The tariff related to timing of deposits and withdrawal from banked energy shall be as under:

- (a) When the timings of deposits and withdrawals both are either during peaking hours or in non-peaking hours, there shall be no change in tariff.
 - (b) If the timing of deposits is in peaking hours and withdrawal is non-peaking hours, there shall be no change in the tariff.
 - (c) If timing of deposits is in non-peaking hours and withdrawals is in peaking hours, the generator shall pay the difference in rates of average annual procurement price from the sources outside the state (except central power) by the licensees and the sale price of the generator.
- 14. POWER TO REMOVE DIFFICULTIES:** If any difficulty arises in giving effect to these Regulations, the Commission may, of its own motion or otherwise, by an order and after giving a reasonable opportunity to those likely to be affected by such order, make such provisions, not inconsistent with these regulations, as may appear to be necessary for removing the difficulty.
- 15. POWER TO REVIEW AND AMEND:** The Commission may review these Regulations after a period of three years from the date of notification. The Commission may also from time to time add, vary, alter, modify or amend any provisions of these regulations after following the necessary procedure.
- 16. SAVINGS**
- (1) Nothing in these Regulations shall be deemed to limit or otherwise affect the inherent power of the Commission to make such orders as may be necessary to meet the ends of justice or to prevent abuses of the process of the Commission.
 - (2) Nothing in these Regulations shall bar the Commission from adopting in conformity with the provisions of the Act a procedure, which is at variance with any of the provisions of these Regulations, if the Commission, in view of the special circumstances of a matter or class of matters and for reasons to be recorded in writing, deems it necessary or expedient for dealing with such a matter or class of matters.
 - (3) Nothing in these Regulations shall, expressly or impliedly, bar the Commission dealing with any matter or exercising any power under the Act for which no Regulations have been framed, and the Commission may deal with such matters, powers and functions in a manner it thinks fit.

By Order of the Commission

(N.K.Rupwani)
Secretary