

## FREST DOWNS

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कात - III

ಬೆಂಗಳೂರು, ಬುಧವಾರ, ಡಿಸೆಂಬರ್ ೪, ೨೦೧೩ (ಮಾರ್ಗಶಿರ ೧೩, ಶಕ ವರ್ಷ ೧೯೩%) Bangalore, Wednesday, December 4, 2013 (Margashira 13, Shaka Varsha 1935) ನಂ. ೧೩೨೪ No. 1324

Part - III

KARNATAKA ELECTRICITY REGULATORY COMMISSION

9/2, 6th & 7th Floors, Mahalaxmi Chambers, M.G.Road, Bangalore- 560001

## NOTIFICATION

No. B/15/12, Bangalore, Dated: 03-12-2013

KERC (Fuel Cost Adjustment Charges) (First amendment) Regulations, 2013

## Preamble:

The Karnataka Electricity Regulatory Commission had notified the KERC (Fuel Cost Adjustment Charges) Regulations, 2013 dated 21st March 2013 which was published in the Gazette of Karnataka dated  $22^{nd}$  March 2013.

The Commission had proposed certain amendments to the said Regulation and the draft of the proposed Amendment to KERC (Fuel Cost Adjustment Charges) Regulations, 2013 was notified on 25<sup>th</sup> October 2013 inviting objections, suggestions if any within 30 days from the date of notification. The draft of the amendments was also published in the gazette on 25<sup>th</sup> October 2013. The Commission has considered the objections/suggestions received and has approved the following amendments to the KERC (Fuel Cost Adjustment Charges) Regulations, 2013.

In exercise of the powers conferred under Section 181 and Section 62(4) of the Electricity Act 2003 and clause 9 of the KERC (Fuel Cost Adjustment Charges) Regulations, 2013 dated 21<sup>st</sup> March 2013, the Commission hereby makes the following amendments to the KERC (Fuel Cost Adjustment Charges) Regulations, 2013 dated 21<sup>st</sup> March 2013.

## 1. Short Title and commencement:

- (i) These Regulations may be called KERC (Fuel Cost Adjustment Charges) (First Amendment)Regulations, 2013
- (ii) They shall come into effect from the date of their Notification in the official gazette.
- (iii) They shall apply to the whole of the State of Karnataka.

2. Amendment to clause 3 of the KERC (Fuel Cost Adjustment Charges) Regulations, 2013:

Clause No.	As existing	As amended
3	Collection of Fuel Cost Adjustment charge (FAC):	Collection of Fuel Cost Adjustment charge (FAC):
3.1	Every Distribution Licensee shall collect Fuel Cost Adjustment charges from its consumers during a billing quarter in accordance with the provisions in these Regulations as part of the tariff payable by the consumer.	Every Distribution Licensee shall collect Fuel Cost Adjustment charges from its consumers during a billing quarter in accordance with the provisions in these Regulations as part of the tariff payable by the consumer.
	Explanation: The first billing quarter shall commence from 1st July 2013.	Explanation: The first billing quarter shall commence from 1" July 2013.
	Provided that, where the FAC in any billing quarter exceeds ten paise per unit or any other limit fixed by the Commission in the tariff order applicable for the relevant year, the distribution licensee shall not recover FAC in excess of ten paise per unit or the limit fixed by the Commission without the prior approval of the Commission.	Provided that, where the FAC in any billing quarter exceeds ten paise per unit or any other limit fixed by the Commission in the tariff order applicable for the relevant year, the distribution licensee shall not recover FAC in excess of ten paise per unit or the limit fixed by the Commission without the prior approval of the Commission.
Aurilia New orbital	Provided that, where the amount of FAC is negative in any billing quarter, the savings in FAC upto ten paise or the limit as fixed by the Commission shall be passed on to the Consumers.	Provided that, where the amount of FAC is negative in any billing quarter, the savings in FAC upto ten paise or the limit as fixed by the Commission shall be passed on to the Consumers.
		Provided that, where the amount of FAC is negative in any billing quarter along with an overall reduction in cost of power purchase inclusive of all sources of power purchase during the second quarter preceding the billing quarter, such FAC shall be passed on to the consumers.
		Explanation: If the FAC to be collected is negative and there is overall reduction in the cost of power purchase during the second quarter preceding the billing quarter, the ESCOMs are allowed to pass the savings to the consumers. If the FAC to be collected is negative but there is overall increase in the cost of power purchase during the second quarter preceding the billing quarter, the

		ESCOMs are allowed toadjust the savings in FAC against the overall increase in power purchase cost.
5	5.1.The formula for computation of the Fuel Cost Adjustment Charges shall be as under:	5.1. The formula for computation of the Fuel Cost Adjustment Charges shall be as under:
	$FAC = [(VC_{sg} + VC_{cgs} + VC_{pp} + Z)/Q]*1000$	FAC = $[(VC_{so} + VC_{cos} + VC_{IPP} + Z)/Q]*1000$
	Where	Where
	VC <sub>so</sub> = Change in variable cost of state owned power generating stations	VC <sub>so</sub> = Change in variable cost of state owned power generating stations
	<b>VC</b> <sub>cos</sub> = Change in variable cost of Central Generating Stations;	VC <sub>cos</sub> = Change in variable cost of Central Generating Stations;
	<b>VC</b> <sub>PPP</sub> = Change in variable cost of Generating Stations of other Independent Power Producers having long term PPAs with the distribution licencees.	VC <sub>IPP</sub> = Change in variable cost of Generating Stations of other Independent Power Producers having long term PPAs with the distribution licencees.
	<b>Q</b> = Actual sales inclusive of metered sales and assessed sales to IP Sets & BJ/KJ categories.	9 = Sales computed as per clause 4.2 of these Regulations considering quantum of energy purchased during the second quarter preceding the billing quarter.
		<b>Z</b> = Adjustment factor for any over/under recovery
	Z = Adjustment factor for any over/under recovery	
6	6.4	6.4 The Distribution Licensee shall furnish the data on power
		purchase, energy input at interface points, sales as per DCB and actual distribution losses as per Format -3& 4.

**N. SRIRAMAN**Secretary
Karnataka Electricity Regulatory Commission

Increase /Decreas e in Power Purchase Cost-Rs. Total- .... Quarter guantum of energy in MU Increase/ Decrease in Power Purchase Cost.Rs. FORMAT-3 Quantum of energy in MU Annexe to KERC (Fuel Cost Adjustment Charges)(First Amendment) Regulations, 2013 Month-3 Change in Power Purchase Cost -Rs/Unit Actual Power Purchase Cost -Rs/Unit Increase/D ecrease in Power Purchase Cost-Rs. Crs Note: The format shall be signed by the authorised representative of ESCOMs duly certified by chartered accountant guantum of energy in MU Month-2 Name of the ESCOM ......Fuel Cost Adjustment charges-...... Quarter of FY..... Change in Power Purchase Cost -Rs/Unit Actual Power Purchase Cost -Rs/Unit Increase/ Decrease in Power Purchase Cost-Rs. Quantum of energy in MU Month-1 Change in Power Purchase Cost -Rs/Unit Actual Power Purchase Cost -Rs/Unit Approved
Power
Purchase
CostRs/Unit Name of the Source KPCL Thermal Others KPCL Hydel Short-term Total CGS NCE IPPs

Annexe to KERC (Fuel Cost Adjustment Charges) (First Amendment) Regulations, 2013

Statement of Energy and Distribution Losses

Name of the ESCOM ......Fuel Cost Adjustment cha

	Samuel Street of Firm Formal -4			- 117777
MOILE	Energy Purchased at Generation Energy at Interface Retail Sales as nor Distriction	Energy at Interface	Retail Sales as ner	Dietellant
c	as per rormar 3	Points	DCB	Maritipution Losses in %
7	8	4	1	
		*	2	6=(4-5)/4*100
	A of the second	in the second		
Total		0.00		
Total				

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