

# **Gujarat Electricity Regulatory Commission (Multi Year Tariff Framework) Regulation, 2007**

GUJARAT

India

## **Gujarat Electricity Regulatory Commission (Multi Year Tariff Framework) Regulation, 2007**

### **Act 1 of 2007**

- Published on 1 April 2008
- Commenced on 1 April 2008
- [This is the version of this document from 1 April 2008.]
- [Note: The original publication document is not available and this content could not be verified.]

Gujarat Electricity Regulatory Commission (Multi Year Tariff Framework) Regulation, 2007Published vide Notification No. 1 of 2007Last Updated 11th June, 2019Notification No. 1 of 2007. - In exercise of powers conferred under clause (zd), (ze) and (zf) of Section 181 (2) read with clause (f) of Sections 61 and Section 62 of the Electricity Act 2003 (36 of 2003) and all other enabling powers in that behalf, the Gujarat Electricity Regulatory Commission hereby makes the following Regulation, namely:

### **Chapter 1**

#### **1. Short Title, Extent and Commencement.**

- These Regulations may be called the Gujarat Electricity Regulatory Commission (Multi Year Tariff Framework) Regulation, 2007.

**2. These regulations will be an appendix to the GERC (Terms and Conditions of Tariff) Regulation. in the event of any inconsistency between the two regulations, the Multi Year Tariff Framework Regulation would prevail.**

**3. These regulations shall come into force on the date of their publication in the Gazette.**

#### **4. These Regulations shall extend to the whole state of Gujarat and to all matters within the jurisdiction of the Commission.**

## **Chapter 2**

### **2. Definitions.**

- 2.1 In these Regulations unless the context otherwise requires:(a)"Accounting Statement" means for each financial year, the following statements, namelyi. balance sheet, prepared in accordance with the form contained in Part I of schedule VI to the Companies Act, 1956;ii. profit and loss account, complying with the requirements contained in Part II of Schedule VI to the Companies Act, 1956;iii. cash flow statement, prepared in accordance with the Accounting Standard on Cash Flow Statement (AS-3) of the Institute of Chartered Accountants of India;iv. report of the statutory auditors;Provided that in case of any local authority engaged in the business of distribution of electricity, the Accounting Statement shall mean the items, as mentioned above, prepared and maintained in accordance with the relevant Acts or Statutes as applicable to such local authority(b)"Act" means the Electricity Act, 2003 (36 of 2003), including amendments thereto;(c)"Allocation Statement" means for each financial year, a statement in respect of each of the separate businesses of the Licensee, showing the amounts of any revenue, cost, asset, liability, reserve or provision etc, which has been either;i. charged from or to each such Other Business together with a description of the basis of that charge; orii. determined by apportionment or allocation between different businesses of the licensee including the Licensed Businesses, together with a description of the basis of the apportionment or allocation;Provided that for the purpose of this regulation the licensed business of the distribution licensee for an area of supply would be separated as wheeling business and supply business.Provided that such allocation statement in respect of a generating station, owned and/or maintained and/or operated by the distribution licensee, shall be maintained in a manner so as to enable tariff determination, stage-wise, unit wise and/or for the whole generating station.(d)"Applicant" means a Licensee or Generating Company who has made an application for determination of tariff or an application for annual performance review in accordance with the Act and these Regulations and includes a Licensee or Generating Company whose tariff is the subject of a review by the Commission either suo motu or on a petition filed by any interested or affected person or as part of an annual performance review;(e)"Aggregate Revenue Requirement" means the requirement of the Licensee for recovery, through tariffs, of allowable expenses and return on equity pertaining to his Licensed Business, in accordance with these Regulations;(f)"Base Year" means the financial year immediately preceding the first year of the Control Period;(g)"Commission" means the Gujarat Electricity Regulatory Commission;(h)"Control Period" means a period comprising one or more financial years, as may be stipulated by the Commission, for submission of forecast in accordance with chapter 6 of these Regulations;(i)"Expected Revenue from Tariff and Charges" means the revenue estimated to accrue to the Licensee from the Licensed Business at the prevailing tariffs;(j)"Fees and Charges Regulation" means the Gujarat Electricity Regulatory Commission (Fees, Fines and Charges) Regulations, 2005 (Notification No. 6 of 2005) as notified by the Commission and as amended from time to time;(k)"Financial year" means the period commencing on 1st April of a calendar year and ending

on 31st March of the subsequent calendar year;(l)"Force Majeure Event" means, with respect to any party, any event or circumstance which is not within the reasonable control of, or due to an act or omission of, that party and which, by the exercise of reasonable care and diligence, that party is not able to prevent, including, without limiting the generality of the foregoing:(i)acts of God, including but not limited to lightning, storm, action of the elements, earthquakes, flood, drought and natural disaster;(ii)strikes, lockouts, go-slow, bandh or other industrial disturbances;(iii)acts of public enemy, wars (declared or undeclared), blockades, insurrections, riots, revolution, sabotage, vandalism and civil disturbance;(iv)unavoidable accident, including but not limited to fire, explosion, radioactive contamination and toxic dangerous chemical contamination;(v)any shutdown or interruption of the grid, which is required or directed by the State or Central Government or by the Commission or the State Load Despatch Centre; and(vi)any shut down or interruption, which is required to avoid serious and immediate risks of a significant plant or equipment failure;(m)"Retail Supply Business" means the business of sale of electricity by a Distribution Licensee to consumers, in accordance with the Conditions of Licence;(n)"Tariff Regulation" means the GERC (Terms and Conditions or Tariff) Regulation, 2005;(o)"Trading Business" means the business of purchase of electricity by the distribution licensee for resale of electricity to other licensee or consumers or category of consumers agreed to receive supply as per section 49 of the Act;(p)"Wheeling" means the operation whereby the distribution system associated facilities of a distribution licensee, are used by another person for the conveyance of electricity on payment of charges to be determined under section 62;(q)"Wheeling Business" means the business of operating and maintaining a distribution system for supplying electricity in the area of supply of the distribution licensee.2.2Words or expressions used herein and not defined shall have the meanings assigned to them in the Act, Rules or Regulations.

## Chapter 3

### 3. Scope of Application.

- 3.1 The Commission shall determine tariff within the Multi Year Tariff framework for all matters for which the Commission has power under the Act, including the following cases: -(a)Supply of electricity by a Generating Company to a Distribution Licensee:Provided that where the Commission believes that a shortage of supply of electricity exists, it may fix the minimum and maximum ceiling of tariff for sale or purchase of electricity in case of an agreement entered into between a Generating Company and a Licensee or between Licensees, for a period not exceeding one year;(b)Intra-State transmission of electricity;(c)Intra-State Wheeling of electricity;(d)Retail sale of electricity;Provided that in case of distribution of electricity in the same area by two or more Distribution Licensees, the Commission may, for promoting competition among Distribution Licensees, fix only maximum ceiling of tariff for retail sale of electricity:Provided further that where the Commission has allowed open access to certain consumers under Section 42, such consumers, notwithstanding the provisions of clause (d) of sub-section (1) of Section 62, may enter into an agreement with any person for supply or purchase of electricity on such terms and conditions (including tariff) as may be agreed upon by them:Provided further that where the Commission has allowed open access to certain consumers under Section 42, the Commission shall determine only the wheeling charges, cross-subsidy surcharge, additional surcharge and other open access related

charges in accordance with these Regulations and GERC (Open Access) Regulation, from time to time.(2)Till the Commission is satisfied with the competitive conditions in the retail supply business, the Commission may also determine the maximum ceiling for supply tariff for category of consumers in the distribution licensee's area of supply and who are permitted open access under Section 42 of the Act. The licensee may charge lower tariff than the ceiling supply tariff if competitive conditions require so without having a claim on the additional revenue requirement.(3)The Commission shall also determine the rate at which the distribution licensees can allocate power for their trading business i.e. sale of power to other licensees or to consumers as per section 49 of the Act using the existing power purchase agreements or bulk supply capacity allocated to the distribution licensee's area of supply.(4)In accordance with the principles laid out in this Regulation, the Commission shall determine separate Aggregate Revenue Requirement (ARR) for(a)Wheeling Business and(b)Retail Supply Business(5)The ARR determined for the Wheeling Business will be the basis for the fixation of the wheeling tariff/charges.(6)The ARR determined for Retail Supply Business will be the basis for the fixation of the Retail Supply Tariff/Charges for retail sale of electricity.(7)Notwithstanding anything specified in this Regulation, the Commission shall adopt the tariff if such tariff has been determined through a transparent process of bidding in accordance with the guidelines issued by the Central Government pursuant to section 63 of the Act.

## Chapter 4

### 4. Multi Year Tariff Framework.

- The Commission shall determine the tariff for matters covered under clauses (a), (b), (c) and (d) of Regulation 3.1 above under a multi-year tariff framework with effect from 1st April 2008:Provided that the Commission may, either suo-motu or upon application made to it by the applicant, exempt the determination of tariff of a Licensee or category of Licensees under the multi-year tariff framework for such period as may be contained in the order granting such an exemption.4.2The multi-year tariff framework shall be based on the following elements, for calculation of aggregate revenue requirement and expected revenue from tariff and charges:(a)At the commencement of Control period a forecast of the aggregate revenue requirement and expected revenue from existing tariffs and charges shall be submitted by the applicant and approved by the Commission;(b)Applicants forecast of aggregate revenue requirement and expected revenue from tariffs and charges during the control period, based on reasonable assumptions relating to the expected behavior of the underlying financial and operational variables;(c)For determining the values for the base year of the Control Period, the Commission may take into account the latest audited accounts available, actuals of the first six months for the base year and other factors considered relevant by the Commission;(d)The Commission may also make an independent analysis & assessment of the baseline data for various parameters of the wheeling business and supply business and consider the same with appropriate and required modifications as the baseline values for the control period;(e)Trajectory for specific variables as may be stipulated by the Commission, where the performance of the applicant is sought to be improved through incentives and disincentives;(f)The Commission may specify a trajectory of certain variables for determination of tariff of:(i)A Generating Station,(ii)A Generating Company; and/ or(iii)A Licensee in respect of his Generation Business:Provided that the Commission shall have regard to the terms and conditions of

any approved power purchase agreement in specifying such trajectory.(g)Annual review of performance vis-a-vis the approved forecast and categorization of variations in performance into those that were caused by factors within the control of the applicant (controllable factors) and those caused by factors beyond the control of the applicant (uncontrollable factors);(h)Mechanism for pass-through of approved gains or losses arising due to difference between the performance vis-a-vis the Commission approved forecast of the generating company or the licensee on account of uncontrollable factors;(i)Mechanism for sharing of approved gains or losses arising due to difference between the performance vis-a-vis the Commission approved forecast of the generating company or the licensee on account of controllable factors;(j)Annual determination of tariff for each financial year within the control period, based on the approved forecast and results of the annual performance review.

## Chapter 5

### 5. Accounting statement and filing under MYT.

- The filing under MYT by the Generating Company or licensee shall be done not less than 120 days before the commencement of the ensuing financial year or control period in such form as prescribed by the Commission in the Tariff Regulation. The filing shall be for the entire control period with year wise details, duly complying with the principles for determination of ARR as specified in the Tariff Regulation and MYT Regulation.5.2The Generating Company or licensee shall file separate accounting statements with the ARR filing or annual review of performance under regulation 9. In case complete segregation has not been done, the Generating Company or licensee will have to do it within one year of issue of this regulation. Till such time there is complete segregation, the ARR of the distribution licensee shall be apportioned between wheeling business and retail supply business by appropriate methodology which will be dealt on case to case basis.5.3The filing for the first control period may be done latest by 31st January 2008.5.4In case of a vertically integrated business, the licensee will be required to file separate ARR for Generation, Transmission, Wheeling and Retail Supply Business which includes retail sale of electricity and trading business. In case complete segregation has not been done, the Generating Company or licensee will have to do it within one year of issue of this regulation. Till such time there is a complete segregation of accounts between Generation, Transmission, Wheeling and Supply businesses, the ARR for each business shall be supported by an Allocation Statement that contains the apportionment of costs and revenues to that business. The allocation statement shall also contain the methodology that has been used for the apportionment.

## Chapter 6

### 6. Control Period.

- 6.1 The applicant shall submit a forecast of his aggregate revenue requirement and expected revenue from tariff and charges for the approval of the Commission for each financial year within a control period of five (5) financial years:Provided that for the first application made to the

Commission under this Part, the control period shall be three (3) financial years i.e. April 1, 2008 to March 31, 2011. Provided further that the Commission may, based on the experience gained with implementation of multi-year tariffs in the State, extend or reduce the duration of subsequent control periods, as it may deem appropriate: Provided also that the Commission shall not so extend or reduce the duration of subsequent control periods without hearing the parties affected: Provided also that the Commission shall not extend or curtail the duration of any control period during such control period.

## Chapter 7

### 7. Forecast.

- 7.1 The applicant shall submit the forecast of aggregate revenue requirement and expected revenue from tariff for the control period in such manner and within such time limit as specified in regulation 6 above, and accompanied by such fee payable under Fees and Charges Regulations. 7.2 Forecast of aggregate revenue requirement. - (1) The applicant shall develop the forecast of aggregate revenue requirement using any one of the following two methodologies: (a) Assumptions relating to the behavior of individual variables that comprise the aggregate revenue requirement during the control period; or (b) Assumptions relating to - (i) percentage annual change in a suitable macro-economic or market index, or combination thereof, to which the aggregate revenue requirement of the applicant is correlated; and (ii) percentage annual reduction in aggregate revenue requirement due to efficiency or productivity gains proposed to be achieved by the applicant on account of specified benchmark, controllable and uncontrollable factors, during the control period: or any other unforeseen adjustments as appropriate. Provided that applications under this Regulation for the control period commencing from 1st April 2008 shall be accompanied by forecasts developed using the methodology specified in clause (a) or (b) above. (2) Any of the above mentioned methodology adopted for forecasting the aggregate revenue requirement, shall remain applicable throughout during the Control period. (3) Where, for any control period, the applicant seeks to change the methodology for forecasting the aggregate revenue requirement, either: (a) from the methodology specified in clause (a) of Regulation 7.2.1 to clause (b) of that Regulation; or (b) from the methodology specified in clause (b) of Regulation 7.2.1 to clause (a) of that Regulation, the applicant shall apply to the Commission for approval of change of methodology along with the rationale thereof and such other details as the Commission may require, at least nine (9) months before the commencement of such control period. 7.2.4 The Commission may, upon scrutiny of such application and after hearing the affected parties, either (a) pass an order approving the change of method, subject to such conditions as it may specify in the said order; or (b) reject the application for reasons to be recorded in writing, if it is not in accordance with the principles contained in Section 61 of the Act or these regulations. (2) Capital Expenditure Plan. - (1) The Generating Company and Licensee shall file detailed capital investment plan, financing plan and physical targets for the ensuing year and each year of the tariff period for meeting the requirement of R&M, load growth, reduction in distribution/Transmission losses, increase in collection efficiency, improvement in quality of supply, reliability, metering, consumer services etc. (2) The generating company and Licensee shall be required to ensure optimum investments to enhance efficiency, productivity and meet performance

standards prescribed by the Commission.(3)The Commission may consider the justification of the licensee's capital investment plan for which the licensees may be required to provide relevant technical and commercial details including cost - benefit analysis.(3)Forecast of expected revenue from tariff and charges. - (1) The applicant shall develop the forecast of expected revenue from tariff and charges based on the following:(a)In the case of a Transmission Licensee, estimates of transmission capacity allocated to Transmission System Users for each financial year within the control period;(b)In the case of a Distribution Licensee, estimates of quantum of electricity wheeled or capacity allocated to the distribution system users for each financial year within the control period;(c)Prevailing tariffs as at the date of making the application.(4)The applicant shall provide full details supporting the forecast, including but not limited to details of past performance, proposed initiatives for achieving efficiency or productivity gains, techno-economic studies, contractual arrangements and/ or secondary research, to enable the Commission to assess the reasonableness of the forecast.(5)Upon studying the application, the Commission shall either-(a)pass an order approving the forecast of aggregate revenue requirement and expected revenue from tariff and charges for the control period, subject to such modifications and conditions as it may specify in the said Order; or(b)reject the application for reasons to be recorded in writing, if it is not in accordance with the principles contained in Section 61 of the Act or these Regulations and direct the applicant to submit a revised forecast taking into consideration such factors as the Commission may deem appropriate.(6)The Commission shall, in its Order passed under Regulation 7.6 above, specify the variables comprised in the aggregate revenue requirement and expected revenue from tariff and charges of the applicant that shall be reviewed by the Commission as part of the annual performance review in accordance with Regulation 9 below:Provided that such variables shall be limited to the major items of cost and revenue forecast of the applicant that, in the Commission's opinion, could have a material impact on the cost of supply of electricity to consumers in the State over the control period:Provided further that the variables, as may be stipulated by the Commission under Regulation 8 below, shall form part of the annual performance review, unless exempted by the Commission from such review in its Order.

## Chapter 8

### 8. Specific trajectory for certain variables.

- 8.1 The Commission may stipulate a trajectory, which may cover one or more control periods, for certain variables.Provided that the variables for which a trajectory may be stipulated include, but are not limited to, generating station availability, plant load factor, station heat rate, auxiliary consumption, specific oil consumption, transit loss, transmission losses , transmission system availability, distribution technical losses, distribution commercial losses and collection efficiency.Provided that the licensee or a generating company should make the initial filing proposing the trajectory for the performance variables with appropriate rationale and justification for the trajectories. The Commission shall review such proposals and approve the trajectory for the performance variables for the control period which should be adopted by the licensee or generating company in the subsequent filings and Annual Performance Review.8.2Where the Commission has stipulated a trajectory for certain variables under this Regulation 8, the norms specified in any other regulation, as the case may be, shall not apply with regard to such variables for such period as the

trajectory has been so stipulated.8.3The trajectory stipulated by the Commission in accordance with this Regulation 8 shall be incorporated in his forecast of aggregate revenue requirement and/ or expected revenue from tariff and charges under Regulation 7.

## Chapter 9

### 9. Annual review of performance.

- 9.1 Where the aggregate revenue requirement and expected revenue from tariff and charges of a Generating Company or Licensee is covered under a multi-year tariff framework, then such Generating Company or Licensee, as the case may be, shall be subject to an annual performance review during the control period in accordance with this Regulation.9.2The Licensee or Generating Company shall make an application for annual performance review within the following time:(a)The application for determination of tariff for any financial year shall be made not less than one hundred and twenty (120) days before the commencement of such financial year;(b)The application for annual performance review during any financial year of the control period shall be made not less than one hundred and twenty (120) days before the close of such financial year:Provided that the Licensee or Generating Company, as the case may be, submit to the Commission information in such form as may be stipulated by the Commission from time to time, together with the Accounting Statements, extracts of books of account and such other details as the Commission may require to assess the reasons for and extent of any variation in financial performance from the approved forecast of aggregate revenue requirement and expected revenue from tariff and charges:9.3The scope of the annual performance review shall be a comparison of the performance of the Generating Company or Licensee with the approved forecast of aggregate revenue requirement and expected revenue from tariff and charges and shall comprise the following:(a)A comparison of the audited performance of the applicant for the previous financial year with the approved forecast for such previous financial year;and(b)A comparison of the performance of the applicant for the first half of the current financial year with the approved forecast for the current financial year and(c)Any other relevant details, if any9.4The applicant shall submit the information required for the annual performance review in such form as may be stipulated by the Commission from time to time.9.5For the variables stipulated by the Commission under Regulation 7.7, the Commission shall carry out a detailed review of performance of the applicant vis-a-vis the approved forecast, as part of the annual performance review.9.6Upon completion of the review under Regulation 9.5 above, the Commission shall attribute any variations or expected variations in performance, for variables stipulated under Regulation 7.7 above, to factors within the control of the applicant (controllable factors) or to factors beyond the control of the applicant (uncontrollable factors):Explanation. - For the purpose of these Regulations, the term uncontrollable factors shall include the following factors which were beyond the control of, and could not be mitigated by, the applicant, as determined by the Commission-(a)Force Majeure Events;(b)Changes in law, judicial pronouncements and Orders of the Central Government, State Government or Commission;(c)Economy-wide influences, such as unforeseen changes in inflation rate, market-interest rates, taxes and statutory levies.9.6.1Some illustrative variations or expected variations in the performance of the applicant which may be attributed by the Commission to uncontrollable factors include, but are not limited to, the following:(a)Variation in the price of fuel and/ or price of power purchase according to the



FCA/FPPPA formula approved by the Commission from time to time;(b)Variation in the number or mix of consumers or quantities of electricity supplied to consumers;(c)Expenses on account of Inflation;(d)Taxes on Income.Provided that where there is more than one Distribution Licensee within the area of supply of the applicant, then any variation in the number or mix of consumers or in the quantities of electricity supplied to consumers within the area served by two or more such Distribution Licensees shall be attributable to controllable factors:Provided further that where any consumer or category of consumers within the area of supply of the applicant is eligible for open access under sub-section (3) of Section 42 of the Act, then any variation in the number or mix of such consumers or quantities of electricity supplied to such eligible consumers shall be attributable to controllable factors;9.6.2Some illustrative variations or expected variations in the performance of the applicant which may be attributed by the Commission to controllable factors include, but are not limited to, the following:(a)Variations in capital expenditure on account of time and/ or cost overruns / efficiencies in the implementation of a capital expenditure project not attributable to an approved change in scope of such project, change in statutory levies or force majeure events;(b)Variations in technical and commercial losses, including bad debts;(c)Variations in the number or mix of consumers or quantities of electricity supplied to consumers as specified in the first and second proviso to clause(b)of Regulation 9.6.1;(d)Variations in working capital requirements;(e)Variation in expenses like: (i) Operation & Maintenance expanses , (ii) Employee Cost, (iii) Admn. & General expenses, (iv) Interest & Finance Charges, (v) Return on Equity, Depreciation, (vi) Non-tariff income;However, expenses at (i), (ii) & (iii) are relatable to relevant Inflation Indices and/or any pay revision agreement in the economy and expenses like (iv) & (v) are relatable to applicable interest rates;(f)Failure to meet the standards specified in the Standards of Performance Regulations, except where exempted in accordance with those Regulations;(g)Variations in labour productivity;(h)Variations in any variable other than those stipulated by the Commission under Regulation 9.6 above.9.7Upon completion of the annual performance review, the Commission shall pass an order recording:(a)the approved aggregate gain or loss to the Generating Company or Licensee on account of uncontrollable factors and the mechanism by which the Generating Company or Licensee shall pass through such gains or losses in accordance with Regulation 10;(b)the approved aggregate gain or loss to the Generating Company or Licensee on account of controllable factors and the amount of such gains or such losses that may be shared in accordance with Regulation 11;(c)the approved modifications to the forecast of the Generating Company or Licensee for the remainder of the control period, if any, under Regulation 9.5.

## Chapter 10

### 10. Mechanism for pass through of gains or losses on account of uncontrollable factors.

- 10.1 The approved aggregate gain or loss to the Generating Company or Licensee on account of uncontrollable factors shall be passed through as an adjustment in the tariff of the Generating Company or Licensee over such period as may be specified in the Order of the Commission passed under Regulation 9.7 (a).10.2Nothing contained in this Regulation 10 shall apply in respect of any

gain or loss arising out of variations in the price of fuel and power purchase which shall be dealt with as specified by the Commission from time to time.

## **Chapter 11**

### **11. Mechanism for sharing of gains or losses on account of controllable factors.**

(1)The approved aggregate gain to the Generating Company or Licensee on account of controllable factors shall be dealt with in the following manner:(a)One-third of the amount of such gain shall be passed on as a rebate in tariffs over such period as may be specified in the Order of the Commission under Regulation 9.7;(b)One-third of the amount of such gain shall be retained in a special reserve by the Generating Company or Licensee for the purpose of absorbing the impact of any future losses on account of controllable factors under clause(b)of Regulation 11.2; and(c)The balance amount of gain may be utilized at the discretion of the Generating Company or Licensee.(2)The approved aggregate loss to the Generating Company or Licensee on account of controllable factors shall be dealt with in the following manner:(a)One-third of the amount of such loss may be passed on as an additional charge in tariffs over such period as may be specified in the Order of the Commission under Regulation 9.7; and(b)The balance amount of loss shall be absorbed by the Generating Company or Licensee.

## **Chapter 12**

### **12. Annual determination of tariff.**

- 12.1 The Commission shall determine the tariff of a Generating Company or Licensee covered under a multi-year tariff framework for each financial year during the control period, at the commencement of such financial year, having regard to the following:(a)The approved forecast of aggregate revenue requirement including the incentive available for the Generating Company or Licensee and expected revenue from tariff and charges for such financial year, including approved modifications to such forecast; and(b)Approved gains and losses to be passed through in tariffs, following the annual performance review.

## **Chapter 13**

### **13. Miscellaneous**

13.1Issue of Orders and Practice Directions. - Subject to the provision of the Act and these Regulations, the Commission may, from time to time, issue Orders and Practice directions in regard to the implementation of these Regulations and procedure to be followed on various matters, which the Commission has been empowered by these Regulations to direct, and matters incidental or ancillary thereto.13.2Notwithstanding anything contained in these Regulations, the Commission

shall have the authority, either suo motu or on a petition filed by any interested or affected party, to determine the tariff of any Applicant.(3)Powers to remove difficulties. - If any difficulty arises in giving effect to any of the provisions of these Regulations, the Commission may, by a general or special order, not being inconsistent with the provisions of these Regulations or the Act, do or undertake to do things or direct the Generating Company to do or undertake such things which appear to be necessary or expedient for the purpose of removing the difficulties.(4)Power of Relaxation. - The Commission may in public interest and for reasons to be recorded in writing, relax any of the provision of these Regulations.(5)Interpretation. - If a question arises relating to the interpretation of any provision of these Regulations, the decision of the Commission shall be final.(6)Saving of Inherent Powers of the Commission. - Nothing contained in these Regulations shall limit or otherwise affect the inherent powers of the Commission from adopting a procedure, which is at variance with any of the provisions of these Regulations, if the Commission, in view of the special circumstances of the matter or class of matters and for reasons to be recorded in writing, deems it necessary or expedient to depart from the procedure specified in these Regulations.(7)Enquiry and Investigation. - All enquiries, investigations and adjudications under these Regulations shall be done by the Commission through the proceedings in accordance with the provisions of the Conduct of Business Regulations.13.8Power to Amend. - The Commission, for reasons to be recorded in writing, may at any time vary, alter or modify any of the provision of these Regulations by amendment.