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Legal Updates

Supreme Court holds that regulatory penalties imposed by NCDRC are not barred by Interim Moratorium under IBC

The Supreme Court, in the matter of *Saranga Anilkumar Aggarwal v. Bhavesh Dhirajlal Sheth & Ors.*, Civil Appeal No. 4048 of 2024, vide order dated 04.03.2025 has held that the interim moratorium under Section 96 of the Insolvency and Bankruptcy Code, 2016 ("**IBC**") does not bar the enforcement of penalties imposed by the National Consumer Disputes Redressal Commission ("**NCDRC**") under Section 27 of the Consumer Protection Act, 1986 ("**CP Act**"). The case arose from execution proceedings initiated before the NCDRC against the appellant, a real estate developer, for failing to deliver possession of residential units to homebuyers as per the agreed timeline. The NCDRC had imposed multiple penalties on the appellant for non-compliance with its previous orders. The appellant challenged the execution of these penalties, contending that an application filed under Section 95 of the IBC triggered an interim moratorium under Section 96, thereby staying all proceedings, including those under Section 27 of the CP Act.

The appellant approached the Hon'ble Supreme Court after the NCDRC rejected this argument, holding that the penalties imposed were regulatory in nature and did not constitute a "debt" under the IBC. The NCDRC had further reasoned that the interim moratorium under Section 96 of the IBC was not applicable to punitive actions taken to enforce compliance with consumer protection laws.

The Supreme Court has upheld NCDRC's findings while observing that the interim moratorium under Section 96 of the IBC is intended to stay proceedings related to financial debts but does not extend to statutory penalties imposed to ensure adherence to consumer protection laws. Supreme Court further remarked that permitting a stay on consumer protection penalties under

the guise of insolvency would allow developers and service providers to evade liability, thereby frustrating the very purpose of the CP Act. The Court drew a clear distinction between civil debt recovery proceedings, which are covered under the IBC moratorium, and penal actions for non-compliance with consumer protection regulations, which remain enforceable despite insolvency proceedings. With the said observations, the appellant was directed to comply with the penalty orders within eight weeks.

Delhi High Court observes that right of pre-emption is not automatic

The High Court of Delhi (**Delhi HC**) in the matter of *Payal Banquets Private Limited vs. State Bank of India*, vide order dated 28.02.2025 has observed that mere physical integration of properties does not automatically grant a pre-emption right. Pre-emption is typically a statutory or contractual right, which was absent in the present case. The Petitioner in this case sought a right of pre-emption over a property adjacent to their own, which was being auctioned by the State Bank of India (SBI). The Petitioner's claim was based on the argument that superstructure on both plots was integral and requested either the right to match the highest bid or to purchase the property at the reserve price.

The Delhi HC dismissed the petition as premature citing that Pre-Emption right is not an automatic right and the option to participate in the public auction to outbid other participants was open to the Petitioner. The Delhi HC further held that Courts generally avoid intervening in commercial transactions like property auctions unless procedural irregularities, fraud, or arbitrariness are evident and the present case was not fit for judicial interference.

The Hon'ble Appellate Tribunal for Electricity (**APTEL**), vide its judgment dated 28.02.2025 in Appeal No. 212 of 2017, has partially set aside the order passed by the Central Electricity Regulatory Commission ("**CERC**"), relating to the tariff determination of NTPC Tamil Nadu Energy Company Limited ("**NTECL**") for its Vallur Thermal Power Project (1500 MW) for the period up to 31.03.2014.

One of the key issues before the Hon'ble APTEL was the disallowance of normative Interest During Construction ("**IDC**") for the period 2003-04 to 2007-08. The Tribunal held that CERC erred in rejecting the claim on the ground that no actual loan existed before 26.06.2008. It observed that normative IDC should be considered since NTECL deployed shareholder funds for project construction, and every form of financing entails a cost. APTEL directed CERC to reconsider the normative IDC claim and determine an appropriate interest rate for the period.

APTEL also addressed the non-consideration of share application money as part of equity for computing Return on Equity ("**RoE**"). While upholding CERC's position that share application money is not automatically classified as equity, APTEL granted liberty to NTECL to provide supporting documents during the truing-up exercise to establish conversion of share application money into equity.

Further, the Tribunal examined the disallowance of Rs. 23.58 crores in civil package costs due to alleged time overruns. Noting that NTECL had presented additional documentation supporting its claim, APTEL remanded the matter to CERC for reconsideration while directing that no interest be levied on respondents for any allowed claims due to the appellant's delay in submitting evidence.

Regarding the pro-rata reduction of overhead expenses, APTEL found that NTECL failed to furnish the requisite breakdown of Incidental Expenses During Construction ("**IEDC**") before CERC. However, given NTECL's willingness to provide further details, APTEL remanded the issue to CERC for fresh adjudication while holding that no interest shall be payable for any revised claims.

APTEL directs CERC to reconsider disallowed normative IDC and remands multiple tariff-related issues for fresh determination



APTEL vide its judgment dated 28.02.2025 in the matter of Mula Pravara Electric Co-operative Society Limited vs MERC & Ors., upheld the order of the Maharashtra Electricity Regulatory Commission (“MERC”) thereby affirming Maharashtra State Electricity Distribution Company Limited (“MSEDCL”) as a deemed licensee for the operational area of Mula Pravara Electric Co-operative Society Limited (“MPECS”).

A key issue before APTEL was whether MSEDCL was required to apply afresh for a distribution license for the MPECS operational area and whether MPECS was entitled to continue as the sole licensee. The Hon’ble APTEL ruled that MSEDCL, as the successor entity of the erstwhile Maharashtra State Electricity Board (“MSEB”), was a deemed licensee under Section 14 of the Electricity Act, 2003 and was not required to obtain a fresh license. It further held that MPECS, as a subsequent applicant, must meet the requirements under the sixth proviso to Section 14 and submit a fresh application in compliance with MERC regulations.

APTEL upholds MERC’s decision recognizing MSEDCL as a deemed distribution licensee in MPECS’s operational area and directing fresh application for MPECS

APTEL noted that MSEB was historically responsible for electricity distribution across Maharashtra and had not lost its right to supply in the MPECS operational area despite MPECS receiving a separate license in 1971. It observed that there was no record of MSEB’s rights being revoked or the MPECS operational area being formally excluded from MSEB’s licensed jurisdiction. The Tribunal emphasized that under the Maharashtra Electricity Reforms Transfer Scheme, 2005 (“Transfer Scheme”), MSEDCL, as MSEB’s successor, inherited the same rights and obligations for electricity distribution across the state, including in the MPECS operational area.

MPECS contended that it had been the exclusive distribution licensee in the concerned area and that MSEDCL’s entry violated its rights. However, APTEL rejected this argument, holding that MPECS was required to apply afresh for a license under the Electricity Act, 2003, as its previous license had expired. The Tribunal also upheld MERC’s direction that MPECS must satisfy additional requirements relating to capital adequacy, creditworthiness, and code of conduct as per the Distribution of Electricity License (Additional Requirements of Capital Adequacy, Creditworthiness, and Code of Conduct) Rules, 2005 (“License Rules, 2005”). In light of the above findings, APTEL dismissed the appeals, affirming MERC’s orders recognizing MSEDCL as a deemed licensee in the MPECS operational area and directing MPECS to reapply for a distribution license.

APTEL rules that wheeling charges must be levied based on actual power drawn at the consumption end and not at the injection point

APTEL vide its judgment dated 24.02.2025 in the matter of Pudumjee Paper Products Ltd. vs. MSEDCL & ors, Appeal No. 66 of 2019, had set aside the order of the MERC dated 24.10.2018 holding that MSEDCL had incorrectly levied wheeling and transmission charges on the quantum of power at the injection point instead of the actual power drawn at the consumption end.

A key issue before APTEL was whether MSEDCL’s methodology for levying wheeling and transmission charges was in conformity with the Distribution Open Access (“DOA”) Regulations, 2014 and 2016. APTEL ruled that wheeling charges must be computed based on the actual energy drawn at the consumption end, taking into account transmission and wheeling losses, as mandated under Regulation 16.1 of the DOA Regulations, 2014 and Regulation 14.6 of the DOA Regulations, 2016.

APTEL relied on its earlier judgment dated 06.10.2022 in Appeal No. 20 of 2019 M/s Sridevi Trading Company Private Limited vs .MERC & Ors, however MSEDCL in this matter sought to distinguish the applicability of the earlier judgement on the ground that Sridevi Trading was a generator, whereas Pudumjee Paper Products Limited, the appellant in the present case, was a captive consumer.

APTEL rejected this distinction, holding that the DOA Regulations do not differentiate between open access consumers, generating stations, and licensees when it comes to levying wheeling charges.

In light of the above findings, the Hon'ble APTEL set aside the MERC order dated 24.10.2018 and remanded the matter back to MERC for passing appropriate consequential orders.

The CERC, vide an Order dated 01.03.2025 passed in Petition No. 11/MP/2024, *Power Exchange India Limited vs. Grid Controller of India*, has issued notice in the matter of regulatory approval sought by Power Exchange India Limited (“**PXIL**”) for introduction of new Renewable Energy Certificate (“**REC**”) trading mechanisms on PXIL’s trading platform.

PXIL sought approval to introduce new REC trading methods, arguing that existing auction-based mechanisms are infrequent and lack flexibility. The proposed mechanisms aim to enhance market liquidity and better facilitate Renewable Purchase Obligation (“**RPO**”) compliance. Key trading mechanisms which were proposed included:

- **Reverse Auction Contracts:** Allows obligated entities such as DISCOMs and bulk consumers to initiate targeted REC purchase auctions, ensuring cost efficiency.
- **Forward Auction Contracts:** Enables sellers to schedule the sale of RECs in pre-specified auction windows, improving price discovery.
- **Continuous Matching Mechanisms:** Facilitates near real-time REC transactions based on evolving market demand, ensuring better accessibility and market responsiveness.

The CERC acknowledged that increasing REC trading frequency and introducing diversified transaction methods could enhance market liquidity and improve price transparency. However, it also emphasized the need for stakeholder consultation to ensure the mechanisms align with existing regulations and market dynamics.

CERC directed PXIL to conduct a broader stakeholder consultation before implementing the proposed mechanisms. PXIL must provide a detailed framework addressing concerns related to auction integrity, market fairness, and trading efficiency. A final decision on implementing these mechanisms will be taken based on stakeholder feedback and further deliberations by the CERC.

The Order dated 01.03.2025 can be accessed from the following [link](#).

The CERC, vide an Order dated 06.03.2025 passed in Petition No. 161/MP/2024, addressed an issue raised by Reliance Industries Ltd. (“**RIL**”) seeking permission for RIL’s subsidiaries and group companies to utilize its GNA at the Jam Khambhaliya inter-State Transmission System (“**ISTS**”) Substation.

RIL argued that allowing intra-group GNA utilization would facilitate more efficient transmission system usage and prevent redundant capacity reservations. RIL also sought relaxation of Regulation 23.1, which currently mandates that every drawee entity connected to the State Transmission Utility (STU) must apply for GNA independently. RIL contended that such flexibility would optimize transmission planning and reduce financial burdens on business groups operating under a shared infrastructure.

CERC issue notice in the matter of new REC trading mechanisms sought to be introduced by PXIL on its platform

CERC directs formulation of Procedure for GNA utilization by Subsidiaries



CTUIL opposed the request, asserting that GNA cannot be transferred except as explicitly permitted under the regulatory framework. It further emphasized that granting such an exemption could set a precedent for future disputes and regulatory inconsistencies.

The CERC observed that the provisions of Regulation 15.1 of the GNA Regulations, 2022 allow a parent company and its subsidiary, which is a bulk consumer under Regulation 17.1(iii), to utilize the granted GNA at the same ISTS connection point. However, it noted that practical challenges exist concerning scheduling, metering, and Deviation Settlement Mechanism (DSM) treatments.

Considering these complexities, the CERC held that a detailed procedure is necessary to clearly define the modalities for such utilization. CERC directed NLDC and Central Transmission Utility of India Limited to formulate a comprehensive procedure within one month of the order's issuance. Further, after stakeholder consultations, they must submit the final procedure for approval by CERC within two months. The procedure will address issues related to scheduling, metering, DSM treatments, and other operational aspects.

The Order dated 06.03.2025 can be accessed from the following [link](#).

The Central Electricity Regulatory Commission (“**CERC**”), vide notification bearing No. L-1/261/2021/CERC dated 03.03.2025, has notified the draft Central Electricity Regulatory Commission (Connectivity and General Network Access to the inter-State Transmission System) (Fourth Amendment) Regulations, 2025 (“**Draft 4th Amendment Regulations**”) proposing to amend several regulations of the Central Electricity Regulatory Commission (Connectivity and General Network Access to the inter-State Transmission System) Regulations, 2022 (“**GNA Regulations, 2022**”).

The amendment proposes modifications to various regulations as follows:

- **Regulation 2.1:** Introduces the concept of Restricted Access entities, defining solar hours and non-solar hours for renewable energy scheduling. It also includes new definitions for Entities with Restricted Access and Restricted Access Rights, clarifying the eligibility criteria for such entities.
- **Regulation 5.2a:** Specifies conditions under which an entity can apply for additional generation capacity. It mandates that connectivity bank guarantees (Conn-BG1 and Conn-BG3) be furnished by the existing grantee for such additional capacity. Further, if the additional capacity is from a renewable energy generating system (REGS) with or without an energy storage system (ESS), the scheduled date of commercial operation must be within 18 months of approval.
- **Regulation 5.8:** Imposes new requirements on Renewable Power Park Developers, including the obligation to furnish the scheduled date of commercial operation before being granted final connectivity. Additionally, promoters must provide details of their shareholding patterns in the company.
- **Regulation 5.11:** Introduces a new provision allowing REGS based on wind or ESS to seek connectivity with restricted scheduling rights for non-solar hours.
- **Regulation 11A:** Introduces strict conditions for shareholding modifications in entities granted connectivity. It prohibits promoters from ceding majority control and mandates that any changes be approved by the nodal agency. Violations may result in revocation of connectivity and encashment of bank guarantees.

CERC issues Draft 4th Amendment to the GNA Regulations, 2022

- **Regulation 19.2:** Revises the timeline and conditions under which additional GNA quantum is allocated across multiple financial years. It imposes a maximum limit of four specified dates per year for operationalizing additional GNA.
- **Regulation 24.6:** Updates the conditions under which connectivity granted to Renewable Power Park developers may be revoked, particularly in cases of non-compliance with connectivity and GNA obligations.

The CERC, vide Public Notice dated 03.03.2025, has invited comments, suggestions, and objections from the stakeholders and interested persons on the Draft 4th Amendment. The comments, suggestions, and objections may be sent to the Secretary on or before 03.04.2025 at secy@cercind.gov.in and shilpa@cercind.gov.in. The registered users shall upload their comments, suggestions, and objections through the SAUDAMINI Portal.

The Draft 4th Amendment Regulations can be accessed from the following [link](#).

The Haryana Electricity Regulatory Commission (“**HERC**”), vide Gazette dated 25.02.2025, has notified the Haryana Electricity Regulatory Commission (Green Energy Open Access) Regulations, 2023, 1st Amendment Regulations, 2025 (“**1st Amendment**” **Regulations**) thereby amending Regulations 4 and 8(2) of the Haryana Electricity Regulatory Commission (Green Energy Open Access) Regulations, 2023 (“**Principal GEOA Regulations**”).

Key Amendments include:

- The amendment has lowered the eligibility threshold, allowing consumers with a contracted demand or sanctioned load of 100 kW and above (either through a single connection or multiple connections in the same distribution licensee’s operational division) to avail of Green Energy Open Access.
- The amendment removes the upper limit on the quantum of power that captive consumers can procure through Green Energy Open Access.
- The amendment clarifies that a generating station (including captive generating plants) or a consumer cannot apply for long-term, medium-term, or short-term open access unless they have already secured connectivity or simultaneously apply for connectivity to the intra-state transmission or distribution system.
- Consumers who are not connected to an independent feeder will be allowed open access, provided they agree to abide by system constraints and any power-cut restrictions imposed by the distribution licensee. Any under-drawal due to power cuts will not be eligible for compensation.
- To incentivize the development of offshore wind projects, the amendment exempts electricity generated from offshore wind projects commissioned before December 2032 from additional surcharges when supplied to open access consumers.

The 1st Amendment Regulations can be accessed from the following [link](#).

In 2019, the Central Electricity Authority (“**CEA**”) had amended the Central Electricity Authority (Installation and Operation of Meters) Regulations, 2006 (“**2019 amendment**”) making it mandatory for all new consumer meters to be Smart Meters with a prepayment feature and for existing meters to be replaced with Smart Meters with a prepayment feature.

HERC notifies 1st Amendment to the Haryana Electricity Regulatory Commission (Green Energy Open Access) Regulations, 2023



APERC notifies amendments to its Regulations and the General Terms and Conditions of Supply in view of the introduction of Smart Meters by the 2019 amendment in the Central Electricity Authority (Installation and Operation of Meters) Regulations, 2006

In the backdrop of the installation of Smart Meters, the Andhra Pradesh Electricity Regulatory Commission (“**APERC**”) has made appropriate amendments to the relevant Regulations notified by it and the General Terms and Conditions of Supply (**GTCS**).

Amendments to General Terms & Conditions of Supply

- Several terms have been defined, such as ‘Smart Meter’, ‘Prepaid/Prepayment Meter’, ‘Advanced Metering Infrastructure (AMI)’, and ‘Advanced Metering Infrastructure Service Provider (AMISP)’.
- Clause 7.1.1 has been amended to provide for installation of only smart meters, including the display unit.
- Clause 7.4.1 has been added stating that the smart meter readings shall be read at least once daily and the consumers should be able to access the energy consumption data through websites, mobile apps, or SMS links.

The amended GTCS can be access from the following [link](#).

Amendments to the Andhra Pradesh Electricity Regulatory Commission (Licensees’ Duty for Supply of Electricity on Request and Recovery of Expenses for Providing Electric Line or Electrical Plant) Regulation, 2013 (Third Amendment)

- Clause 7(2) has been amended to provide for smart meters to be given by the Distribution Licensee either at its cost or at the cost of the consumer. If the cost is borne by the Distribution Licensee, it may collect the approved meter cost as rent from the consumer. If the cost is borne by the consumer, no such meter rent can be collected.

The amended Regulation can be access from the following [link](#).

Amendments to the Andhra Pradesh Electricity Regulatory Commission (Electricity Supply Code) Regulation, 2004 (Fourth Amendment)

- The provision of an ‘e-wallet’ mechanism has been introduced for prepaid / smart meters. It will be linked to the electricity supply connection allowing the consumers to recharge periodically through online and offline options.
- The provision of an ‘e-bill’ has been introduced for the smart meters as physical bills will not be issued for the same. The e-bill will be sent to the registered mobile number or it can be accessed online.
- A payment mechanism has been introduced. For instance, first time charges, minimum recharge, maximum recharge, recharge reminders, disconnection in the event of recharge failure, emergency credit, reconnection, etc.

The amended Regulation can be access from the following [link](#).

Amendments to the Andhra Pradesh Electricity Regulatory Commission (Security Deposit) Regulation, 2004 (Third Amendment)

- Clause 4(3), which provides for the right of the Distribution Licensee to collect Security Deposit, has been amended to provide for smart meters.
- If an Applicant, who is seeking a new connection, is prepared to take supply through a smart meter, the Distribution Licensee cannot collect any Security Deposit. If an existing customer wants to shift to a smart meter, it will be adjusted against any outstanding dues to the Distribution Licensee or any other amount becoming due to it immediately thereafter.

The amended Regulation can be access from the following [link](#).

CSERC invites comments / suggestions / objections on the Petition filed by the Chhattisgarh State Power Distribution Co. Ltd. (CSPDCL) for approval of the Power Sale Agreement (PSA) executed with Solar Energy Corporation of India Ltd.

The Chhattisgarh State Electricity Regulatory Commission (“**CSERC**”), vide public notice dated 27.02.2025, has invited objections and suggestions on the Petition filed by the Chhattisgarh State Power Distribution Co. Ltd. for approval of the Power Sale Agreement dated 02.07.2024 entered in to with M/s Solar Energy Corporation of India Ltd. for procurement of 500 MW hybrid power on long term basis from 1200 MW ISTS connected wind-solar hybrid power projects in order to comply with the Renewable Purchase Obligation (RPO).

Interested parties can submit their objections and suggestions by 13.03.2025 to the Secretary, CSERC. CSERC has also notified that the public hearing with respect to the same will be held on 17.03.2025 at 11.30 A.M. in the Commission’s Court Room.

The Rajasthan Electricity Regulatory Commission (**RERC**) has published RERC (Terms and Conditions for Determination of Tariff) Regulations, 2025 (“**RERC Tariff Regulations 2025**”) vide Notification dated 18.02.2025. The RERC Tariff Regulations 2025 outline the Terms and Conditions for Determination of Tariff applicable for the financial years 2025-26 to 2029-30. This regulation aims to balance cost efficiency, financial sustainability, and consumer affordability in Rajasthan’s electricity sector. The key highlights are:

1. Scope and Applicability

- They govern tariff determination for:
 - Supply of electricity by generating companies to distribution licensees.
 - Intra-state transmission and wheeling of electricity.
 - Recovery of State Load Dispatch Centre (**SLDC**) expenses.
 - Retail sale of electricity.
 - Open access charges, including surcharge and additional surcharge.

2. Control Period and Review Process

- The regulations cover a five-year control period (2025-26 to 2029-30).
- Tariff review is to be conducted annually.
- Distribution licensees and other stakeholders must submit Aggregate Revenue Requirement (ARR) petitions and true-up reports.

3. Tariff Determination Process

- The Multi-Year Tariff (MYT) framework will be followed.
- The applicant (generating companies, licensees, or SLDC) must:
 - Submit a forecast of revenue and expenses.
 - Provide audited accounts for previous years.
 - Justify additional capital expenditure beyond initial estimates.
- The Commission will conduct a prudence check before approving capital costs and tariff revisions.

4. Subsidy and Government Intervention

- The State Government may provide subsidies to certain consumer categories.
- The subsidy must be paid in advance to avoid financial stress on the licensee.
- Distribution licensees are required to submit quarterly subsidy reports.

5. Additional Capitalization & Investments

- Capital expenditure post-commercial operation is subject to approval.
- Additional costs may be considered for:
 - Compliance with legal changes.
 - Technology upgrades.
 - Security enhancements.
 - Emission control systems for thermal plants.

RERC proposes RERC (Terms and Conditions for Determination of Tariff) Regulations, 2025

6. Regulatory Oversight and Compliance

- The Commission has the power to:
 - Conduct Suo-motu reviews of tariffs.
 - Impose penalties for non-compliance.
 - Ensure transparent subsidy accounting.
- Generating companies and licensees must publish their tariff details publicly and display them on their websites.

7. Financial Principles

- Capital structure considerations include:
 - Debt-equity ratio norms.
 - Foreign loan management.
 - Restructuring guidelines for financial stability.
- Tariffs must reflect efficient cost recovery while ensuring fair returns.

8. Publication & Implementation

- Approved tariffs must be published in newspapers and online.
- New tariffs will come into effect only after public notification.

The draft of RERC (Terms and Conditions for Determination of Tariff) Regulations, 2025 (“**RERC Tariff Regulations 2025**”) may be accessed from the following [link](#).

The Kerala State Electricity Regulatory Commission (**KSERC**) has published KSERC (Conditions of Licence for Existing Distribution Licensees) (Third Amendment) Regulations, 2025 dated 28.02.2025 to amend the Conditions of Licence for Existing Distribution Licensees Regulations, 2006 (“**Principal Regulations**”). This amendment extends the reduced licence fee rate for another three years to help KSEB Ltd. manage its financial difficulties. The amendments include:

Under Regulation 34 of the Principal Regulations, which provided for License Fee, a proviso has been included to clarify that KSEB Ltd shall remit the licence fee for the next three financial years, i.e., FYs 2025-26, 2026-27 and 2027-28, to the Commission at the rate of 0.015% of the revenue from the sale of power for the previous financial year.

In the Explanatory note, the Commission has clarified that KSEB Ltd had requested the continuation of the 0.015% rate due to its financial losses and liabilities and the said rate has been approved considering the Operational and financial challenges and need for financial stability and sustainability of the power sector.

The amendment will take effect from April 1, 2025 and the Stakeholders have one month from the date of publication to submit objections or suggestions. A public hearing will be conducted before finalization.

The draft of the Kerala State Electricity Regulatory Commission (Conditions of Licence for Existing Distribution Licensees) (Third Amendment) Regulations, 2025 may be accessed from the following [link](#).

The Himachal Pradesh Electricity Regulatory Commission (**HPERC**) has issued the draft of Himachal Pradesh Electricity Regulatory Commission (Framework for Resource Adequacy) Regulations, 2025 dated 27.02.2025 for public comments (“**Draft HPERC Regulations**”). The Draft HPERC Regulations focus on ensuring Resource Adequacy for reliable electricity supply in the state, optimize costs, and support the integration of renewable energy while maintaining a structured planning and procurement process. Key highlights include:

KSERC publishes draft KSERC (Conditions of Licence for Existing Distribution Licensees) (Third Amendment) Regulations, 2025

**HPERC issues Draft of
Framework for Resource
Adequacy Regulations,
2025**

1. **Scope & Applicability:**
 - Draft HPERC Regulations covers all generating companies, distribution licensees, the State Load Dispatch Centre, State Transmission Utility, and other stakeholders in Himachal Pradesh.
2. **Key Components of the Resource Adequacy Framework:**
 - Demand Assessment & Forecasting: Distribution licensees must project power demand using scientific models, considering economic and policy factors.
 - Generation Resource Planning: Identifies available and required generation resources, capacity credits, and planning reserve margins.
 - Procurement Planning: Focuses on optimal power procurement, balancing long, medium, and short-term contracts to avoid reliance on short-term markets.
 - Monitoring & Compliance: Regular reporting and adherence to set timelines, with penalties for non-compliance.
3. **Regulatory Aspects:**
 - Requires submission of long-term (10-year), medium-term (5-year), and short-term (1-year) distribution resource adequacy plans.
 - Encourages state-wide demand aggregation and coordination with national-level electricity planning.
 - Specifies the approval process for power purchase agreements, ensuring cost-effectiveness and efficiency.
4. **Additional Provisions:**
 - Data-sharing protocols with regulatory bodies.
 - Guidelines for handling variations in power purchase due to unexpected demand or grid instability.
 - Powers to issue directions, make amendments, and remove difficulties.

The objections or suggestions to the draft should be addressed to the Secretary, Himachal Pradesh Electricity Regulatory Commission, Vidyut Aayog Bhawan, Block-37, SDA Complex, Kasumpti-171009(HP) within 30 days of the publication. The Himachal Pradesh Electricity Regulatory Commission (Framework for Resource Adequacy) Regulations, 2025 may be accessed from the following [link](#).

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