

**Explanatory Memorandum for Central Electricity Regulatory Commission  
(Payment Of Fees) (Second Amendment) Regulations, 2010**

In exercise of powers conferred under Section 178 of the Electricity Act, 2003 (36 of 2008) and of all other powers enabling it in this behalf, the Commission has notified the Central Regulatory Commission (Payment of Fees) Regulations, 2008 and Central Electricity Regulatory Commission (Payment of Fees) (Amendment) Regulations, 2009 (hereinafter "Payment of fees regulations"). These regulations govern the fees to be paid by the generating companies for application for determination of tariff by the Central Commission.

2. Regulation 2 of the Payment of fees Regulations, 2008 which was notified on 17.10.2008, provides for payment of filing fees by the generating company at Rs. 2000/MW/annum corresponding to the installed capacity of the generating station or unit thereof, for which tariff is to be determined. The filing fees on MW basis covers both petitions for determination of tariff and for additional capitalization. However, difficulty has arisen in the calculation of fees payable by the generating companies in respect of additional capitalization petitions filed pursuant to the Payment of fees Regulations, wherein the fees for the main tariff petition had been paid in terms of the Payment of fees Regulations, 2004. For additional capitalization petitions filed after the notification of the Payment of fees Regulations, the generating companies is required to pay filing fees at Rs.2000/MW for each year of additional capitalization, which would be much more than the filing fees contemplated under the Regulations.

3. In order to regulate the payment of filing fees for additional capitalization petitions, where main tariff for the generating station has been determined in respect of petition filed in terms of the Payment of fees Regulations, 2004, it has become necessary to amend Regulation 2 of the Payment of fees Regulations, and to specify the filing fees to be paid by the generating companies for additional capitalization petitions. Accordingly, following proviso is proposed to be inserted after clause (1) of Regulation 2 of the principal regulations, as under:

"Provided that where the tariff in respect of the generating station has been determined on the date of operation of these regulations, the fee for the petitions for additional capitalization shall be paid in accordance with clause (3) of Regulation 3 of the Regulations"