File No. CEA/E&C/Legal/3/53/2017/589

Dated: 30.06.2017

To

The Secretary,
Central Electricity Regulatory Commission,
3rd & 4th Floor, Chanderlok Building,
36, Janpath, New Delhi-110001.

Subject: Draft Central Electricity Regulatory Commission (Transmission Planning and other related matters) Regulations, 2017-reg.

This has reference to the draft Central Electricity Regulatory Commission (Transmission Planning and other related matters) Regulations, 2017. The same has been examined in CEA and our specific comments with reference to legal tenability of the said Regulations are as given below:

1. Central Electricity Authority (a Statutory Body) has been constituted under the provisions of the Act with defined functions and responsibilities whereas organizations like Regional Power Committees, NLDC, CTU, STU etc. are established by the Central Government/ the State Governments with functions and powers as defined therein. Therefore, no other organization except the Parliament or the Appropriate Government establishing these organizations can alter or redefine the functions and responsibilities of these organizations.

2. The preamble clearly states that these regulations have been framed considering "a need has been felt" as such it is clear that these regulations are not framed under any mandate given under the Act and CERC has not been vested with powers to specify such regulations. Therefore, framing of these regulations by CERC is in total contravention to the provisions of the Act.

3. As per Section 73 of the Act, Central Electricity Authority has been mandated for advising the Central Government on matters relating to National Electricity Policy, formulate and short-term and perspective plan for development of the
electricity system and coordinate the activities of the planning agencies for the optimal utilization of resources as such the functions of transmission planning is vested with the Central Electricity Authority.

4. The Standing Committee on Power System planning for each and every region has been constituted by CEA to carry out development plan to Regional Transmission System and to facilitate coordinated development of the regional system towards fulfilment of the requirement/ short term and perspective plan for power development under Electricity Act, 2003 (Section 73 (a)). Accordingly, it is the function of CEA to formulate short term perspective plan for development of the electricity system which inter-alia have been redefined by the said regulations.

5. Ministry of Power, Government of India under the provisions of the Act has established Regional Power Committees, NLDC and CTU with specified functions and powers therein, as such by carrying out alteration or redefining such powers and functions, as such, any alteration or redefinition need approval of the Government of India, Ministry of Power.

6. It is also to be seen that the scope of regulation is defined as “to govern planning and development of an efficient, reliable and economical system of ISTS and associated inter-State systems” whereas such functions have been vested with the Central Transmission Utility under Section 38 of the Act and with the State Transmission Utility under Section 39.

7. Vide various clauses as mentioned in these regulations directions have been issued to CEA which is totally against the jurisdiction and powers vested in CERC as CEA is a statutory body empowered to advice CERC and not to take directions from CERC. As per Section 75 of the Act, only Government of India, in public interest, can issue directions to CEA.

It is further to add that any subordinate legislation like regulations are to be notified under specific provisions of the law and cannot be just enacted by any statutory body without drawing or vested with such powers. CERC is requested to withdraw these regulations.

Yours faithfully,

(P.C. Kuréel)
Secretary, CEA