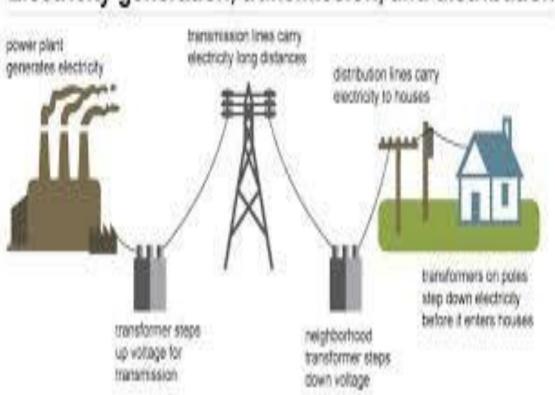
# Four Days Training Programme On

## TARIFF POLICY, ARR SUBMISSION AND REGULATORY COMPLIANCE"

19 - 22 NOVEMBER, 2019

### Electricity generation, transmission, and distribution



Source: Adapted from National Energy Education Development Project (public domain)

#### **REC Institute of Power Management and Training**



### OF REC LIMITED

(Formerly known as Rural Electrification Corporation Limited)

(A Government of India Enterprise)

#### **INTRODUCTION**

Power is an unique and essential infrastructure for the prosperity and economic growth of a country. Power sector, having achieved 100% electrification in India, and is presently committed to raise the standards of the system to be on par with developed countries. Enhancing the quality and reliability of supply besides meeting the expected total energy demand in full including that in Rural areas is the focus, For achieving this objective, it calls for enhancing power generation three times by 2030 to what it was in 2013 and commensurate network expansion and strengthening in **transmission and distribution**, for handling that demand squarely. The main stay for power generation being coal, a fossil fuel with limited stocks, and India being the second most riskiest country in terms of prevailing pollution, it is essential to diversify considerable share of power generation to renewable sector at additional cost. to stretch fossil fuel stock availability for few more years and reducing emissions. To realize all the above and maintaining performance standards in transmission and distribution and performance norms in power generation besides complying with pollution norms fixed, funding of an astronomical order is required. Financial viability of power sector utilities-is of utmost importance to maintain the above standards on a continuous basis..

The tariff as fixed by Regulators from time to time forms the life line in obtaining required funding for any power utility for carrying out its various activities on a continuous basis. Recognizing this, Electricity Act, 2003 makes it a right for power utilities to get back the funds they spend genuinely in extending uninterrupted power supply of quality and economical power generation, besides, keeping the emissions within the limits specified. The Act in addition to bringing out basic features of tariff designs, also stipulates formation of periodical tariff policy by CERC for essential guidance to various regulatory commissions in formulating sustainable but economical tariff and to overcome the challenges that may arise in that process from time to time. Regional Regulatory commissions, on their part, are entrusted with the responsibility of fixing retail tariff and local transmission tariff besides formulating guidelines, in line with the provisions of tariff policy and regulations for the submission of ARR each year for initiating tariff fixation process. In order to bring the tariff within the reach of consumers at large, competitive bidding process is given preference for certain period and making it essential later on, subject to the discretion of Regulatory commissions, while Central vigilance commission has formulated necessary guidelines, to make process transparent.

Tariff policy notified first in 2006, has been amended in 2011 and 2016, to meet the challenges that have surfaced in the 3 wings of the Power sector. Tariff regulations for Power Generation and Transmission were earlier announced by CERC in 2014, applicable up to 31-3-2019, and latest one for the period from 2019 to 2024 was notified on 7-3-2019. It is essential to understand the latest changes that were made in the tariff policy and regulations, the need for them, their efficacy in meeting the targets set and expected challenges in the sector and short comings, if any. Since the latest regulations are going to have ultimate bearing on the financial status of different power utilities, and their ability to perform, it is essential to have a comprehensive knowledge of the various tariff provisions to plan for future action in terms of envisaged objectives stated above.

Executives working in the power sector, either in technical or non-technical wings, shall have comprehensive awareness on the motivations behind tariff formulation in ensuring Electricity of quality for all, enhanced efficiency, sustained development and attractiveness to bring in all the funds, needed. Similarly, the guidelines for ARR submission have to be studied in depth as stipulated by different regulatory commissions, their relative merits and way forward in ensuring sustainable economical conditions in power utilities.

Considering the above, RECIPMT proposes to conduct a 4-day training programme on "Tariff Policy, ARR submission and Regulatory compliance" from 19 – 22 November, 2019 at its campus for the executives of Power Utilities, Regulatory Commissions, and Officials of Ministries to create awareness through interaction with experts in the field.

#### PROGRAMME OBJECTIVES

- > To create awareness on National Tariff policy, its latest amendments and tariff design features stated there in.
- ➤ Broad discussion on CERC tariff regulation 2019-24, norms formulated for Generation, deviations from Tariff regulations 14-19, reasons for them and short comings
- > To familiarize participants about the different methods of retail tariff fixation by regulators
  - > Features of competitive bidding with relative merits and demerits
  - Comprehensive study of Regulations on ARR submission for transmission and distribution power utilities
  - To study CERC regulation on Tariff fixation for Power generation through renewable energy sources
  - > Comparative study of tariff fixation under for generators under PPA through cost plus approach and competitive bidding

#### PROGRAMME CONTENTS

- > Provisions of Electricity Act,2003 on tariff fixation& basic tariff design
- > National Tariff Policy- objectives, salient features amendments with reasons
- > General approach to tariff fixation—CERC Tariff regulations -amendments
- > CERC tariff Regulation 19-24 (Draft), Features of consultancy paper circulated, objections and comments raised and major deviations from CERC tariff Regulations 14-19,
- > CERC tariff regulations for renewable power Plants
- > Competitive Bidding, guidelines and case studies
- > SERC tariff regulations for retail tariff and comparative study of different regulations
- > SERC guidelines for ARR submission, costing and pricing approach for tariff fixation
- > Case studies of tariff fixation for Transmission under CERC regulation 2019-24
- > Comparative study of Tariff fixation for a generation plant under cost plus approach and competitive bidding
- > Salient features of regulatory directives, compliance and assets

#### PARTICIPANT LEVEL

Top and Middle level Executives of Power Generation, Transmission, Distribution Utilities, Regulatory commissions from Public and Private Organisations.

#### PEDAGOGY

To create awareness through interaction with experts in the field.

#### PROGRAMME DATE, TIMINGS AND VENUE

4 days from 19 – 22 November, 2019 from 09.45 am to 5.15 pm with break for lunch, tea and refreshment. The venue will be RECIPMT Campus, Shivarampally, Near Aramgarh Junction, NPA Post, Hyderabad - 500 052.

#### PROGRAMME FEE

Category	Course Fee per participant	GST 18%	Total Course Fee/Participant without Group Discount	Total Fee with 10% Group Discount for three or more Participation ***
Residential*	34,000	6,120	40,120	10%
Non Residential**	30,000	5,400	35,400	10%

<sup>\*</sup>Includes Boarding and Accommodation in addition to tuition fee, courseware & other facilities, Field Visit, etc.

The Accommodation is provided on Single Occupancybasis

Note: Pick-up and Drop facility will be provided by RECIPMT (CIRE).

Course Fee shall be paid in the form of a demand draft in favor of "REC Institute of Power Management and Training" payable at Hyderabad in advance or at least at the time of registration. The course fee may also be paid by NEFT/RTGS transfer to HDFC Bank Account No: 00210350000930, IFSC Code: HDFC0000021, GSTIN of RECIPMT: 36AAACR4512R3Z0.

#### HOW TO REGISTER

Please send your nominations on or before 13 November, 2019 along with demand draft (or NEFT/RTGS Receipt) to: The Director, REC Institute of Power Management and Training, N.P.A. Post., Shivarampally, Hyderabad-500052, E-mail: recipmt@gmail.com.

The Participants are advised to commence their journey only after receiving the confirmation from RECIPMT. Please contact the program coordinators mentioned on last page for further information, if any.



#### CERTIFICATE OF PARTICIPATION

On the concluding day of the programme, participants will receive a Certificate of Participation.

<sup>\*\*</sup> Excludes Accommodation, includes only Working Lunch, Class room Tea & Snacks.

<sup>\*\*\*</sup> Only on Participation basis.

#### **ABOUT REC**

Since its inception in 1969, Rural Electrification Corporation Limited (REC), a Navaratna PSU, has been playing a significant role in financing and promoting electrification projects across India. Within a span of 50 years, REC has emerged as India's leading finance company in power sector. Be it generation, transmission, distribution or renewable energy, REC has always created benchmarks in its every performance by supporting National power sector organization by providing funding for implementation of projects. Based on the MOU with Ministry of Power, the performance of REC Limited is rated as "Excellent".

#### **ABOUT RECIPMT:**

REC Institute of Power Management and Training (RECIPMT) earlier known as Central Institute for Rural Electrification (CIRE) was established at Hyderabad in 1979 under the aegis of Rural Electrification Corporation Limited to cater to the training and development needs of Engineers and Managers of Power and Energy Sector. RECIPMT is relentlessly engaged in capacity building to strengthen the human resources development initiatives of Power Sector. RECIPMT has been conferred with Educational Award for 3 years in recognition of Leadership, Development, Innovation and Industry interface. The Institute is spread over an area of about 14 acres, with administrative, teaching and hostel blocks. Classrooms and hostel rooms are air-conditioned. An Energy Park has been set up to develop awareness on Renewable Energy Sources System and High Voltage Distribution System.



Up to Mar 2019, the Institute has organized 2106 Programmes and 47771 executives from various Power Utilities, like Generation, Transmission & Distribution Companies, Electricity Departments, RE Cooperatives, Regulatory Commissions, Rural Development Agencies, Banks, CPUs, etc., participated in the programmes. The Institute has organized 95 International Training Programmes under ITEC/SCAAP of Ministry of External Affairs, GOI and trained 1539 executives from 90 countries. RECIPMT coordinated training of 2,49,553C&D category of employees of DISCOMs during 2009-2019.

Programme Coordinator(s):
Shri G.Shankar
Additional Director,
Mob. No. 9490189023

Shri A. Saiprasad Sarma Programme Coordinator, Mob. No. 9676020222 **Programme Advisor:** 

Shri Santosh Kumar Sahu Director



#### आरईसी इन्स्टिट्यूट ऑफ पावर मैनेजमेंट अँड ट्रेनिंग REC INSTITUTE OF POWER MANAGEMENT & TRAINING

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