

**Amendment of the
AERC (Terms and Conditions for Determination of Tariff) Regulations**

1. *Short title and commencement.* — (1) These regulations may be called the Assam Electricity Regulatory Commission (Terms and Conditions for Determination of Tariff) Regulations, 2006 (First Amendment) Regulations, 2008.

(2) These Regulations shall come into force on the date of its publication in the Assam Gazette.

2. *Amendment of regulation – 129.*— In regulation 129 of the Assam Electricity Regulatory Commission (Terms and Conditions for Determination of Tariff) Regulations (hereinafter called “the said regulations”),—

- (i) For existing name of the Regulation and sub-regulation 129.1, the following name and sub-regulation shall be substituted,

129. Reduction of Cross Subsidy

129.1 The tariff shall progressively reflect the cost of supply of electricity, according to the consumer’s load factor, power factor, voltage, total consumption of electricity during any specified period of time in which supply is required or the geographical position of any area, the nature of supply and the purpose for which the supply is required, and also reduce cross subsidies within the period to be specified by the Commission.

3. For existing sub-regulation 146.1 of regulation 146, the following sub-regulation 146.1 shall be substituted,

146. Surcharge

146.1 The Commission will determine annually the surcharge payable by the open access consumers to meet the current level of cross subsidy level according to section 42 (2) proviso 1 of the Act and section 8.5 of National Tariff Policy, Provided that:

- (a) The voltage based cost of supply to the category of consumers for the purpose of tariff to which the open access consumer belongs and the total realisation from that category of consumers shall be the basis of calculating the extent of cross subsidy provided by such category of consumers.
- (b) The amount of surcharge shall be so calculated as to meet the current level of cross subsidy from that category of consumers

and shall be paid to the distribution licensee of the area of supply where the consumer is located.

- (c) The surcharge shall be reduced in the same manner as the Commission may lay down for reduction of cross subsidies in its Regulations relating to terms and conditions of tariff of distribution licensees.

4. For existing sub-regulation 147.1 of regulation 147, the following sub-regulation 147.1 shall be substituted,

147. Additional Surcharge

147.1 The Commission will determine an additional surcharge that is payable by the open access consumer to meet the fixed cost of such distribution licensee arising out of his obligation to supply according to section 42 (4) of the Act and section 8.5 of National Tariff Policy.