

Explanatory Memorandum for
Draft Gujarat Electricity Regulatory Commission (Licensee's Power to Recover Expenditure
incurred in providing Supply and other Miscellaneous Charges) (Fifth Amendment)
Regulations, 2025

**GUJARAT ELECTRICITY REGULATORY COMMISSION
GANDHINAGAR**

Explanatory Memorandum

**Draft Gujarat Electricity Regulatory Commission (Licensee's Power to Recover Expenditure
incurred in providing Supply and other Miscellaneous Charges) (Fifth Amendment)
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The Gujarat Electricity Regulatory Commission (GERC) has notified the Gujarat Electricity Regulatory Commission (Licensee's Power to Recover Expenditure incurred in providing Supply and other Miscellaneous Charges) Regulations, 2005 Notification No. 9 of 2005 dated 31.03.2005.

Clause 8.2 (F) of the GERC (Licensee's Power to Recover Expenditure incurred in providing supply and other Miscellaneous Charges) Regulations, 2005, read as under:

F. CHARGES FOR MISCELLANEOUS WORK

The charges payable in advance for any work which the supplier may undertake for the consumer and which is not included in the foregoing schedule shall be at the actual cost of labour and materials plus 15% to cover overhead charges. Estimates will be submitted when necessary. The charges payable in advance for any work which the supplier may undertake on behalf of the consumer as an agency work, shall be the actual cost of labour and materials plus 15% to cover overhead charges. The estimates will be submitted accordingly.

The Commission after hearing all the parties, vide Order dated 03.12.2024 has decided the Petition No. 2289 of 2023 filed by DGVCL and Others under Electricity Act, 2003 read with the GERC (Licensee's Power to Recover Expenditure incurred in providing supply and other Miscellaneous Charges) Regulations, 2005 for approval of levy of 2.5% supervision charges instead of 15% supervision charges on estimate towards shifting of infrastructure of Licensee's for development projects of National Highway Authority, State Highway Authority and other Centre & State Government projects related to infrastructure development as per the Standard Operating Procedure notified by the Ministry of Power, Government of India.

In the para 7.18 of the said Order dated 03.12.2024, it is stated that;

We are of the view that it is also necessary to amend the Regulations 6 and 8.2 of the GERC (Licensee's Power to Recover Expenditure incurred in providing supply and other Miscellaneous Charges) Regulations, 2005 by incorporating the following the provisions in the aforesaid Regulations.

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Provided that the Infrastructure Developer shall make a payment of supervision charges at the following rates to the Owner of the transmission line:

<i>Infrastructure Project</i>	<i>Shifting works by Infrastructure developers</i>	<i>Shifting works by the Owner</i>
<i>Projects Under Bharatmala Pariyojana</i>	2.5%	<i>Not Applicable</i>
<i>Other Infrastructure Projects</i>	2.5%	15%

In the para 7.19 of the said Order dated 03.12.2024, it is stated that;

The Staff of the Commission is directed to issue draft amendment in the aforesaid Regulations and also to issue public notice and inviting comments/suggestions on it from the stakeholders as envisaged in Section 181 of Electricity Act, 2003 read with GERC (Procedure for previous publication of regulations to be made under Section 181 of the Electricity Act,2003).

Accordingly, It is proposed to amend aforesaid Regulation as under:

F. CHARGES FOR MISCELLANEOUS WORK

The charges payable in advance for any work which the supplier may undertake for the consumer and which is not included in the foregoing schedule shall be at the actual cost of labour and materials plus 15% to cover overhead charges. Estimates will be submitted when necessary. The charges payable in advance for any work which the supplier may undertake on behalf of the consumer as an agency work, shall be the actual cost of labour and materials plus 15% to cover overhead charges. The estimates will be submitted accordingly.

Provided that the Infrastructure Developer shall make a payment of supervision/ overhead charges at the following rates to the Owner of the transmission/ distribution line:

<i>Infrastructure Project</i>	<i>Shifting works by Infrastructure developers</i>	<i>Shifting works by the Owner</i>
<i>Projects Under Bharatmala Pariyojana</i>	2.5%	<i>Not Applicable</i>
<i>Other Infrastructure Projects</i>	2.5%	15%

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