



## **TAMIL NADU ELECTRICITY REGULATORY COMMISSION**

### **TNERC/M.O. 5 / T.M dated 15-10-2012**

**Present: Thiru K. Venugopal, Member**  
**Thiru S. Nagalsamy, Member**

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In the matter of: Order on Trading Margin under TNERC Licensing Regulation,  
2005.

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1. In exercise of powers conferred by section 181 of the Electricity Act, 2003 (Central Act 36 of 2003) read with sections 14, 15 and 86(1) (d) and all other powers enabling it in this behalf, and after previous publication, the Tamil Nadu Electricity Regulatory Commission has notified TNERC (Licensing) Regulations, 2005 (herein after referred to as Licensing Regulations') vide notification No. TNERC/LR/12/1 dt. 24-06-2005 and the same was published in the Tamil Nadu Government Gazette dated 03-08-2005.
2. As per clause 5(1) of General conditions under Part - II of Licence for Trading in electricity "The Trading licensee may engage in the business of trading in electricity in the State provided that any such sale or supply of electricity to customer subject to the trade margin that may be fixed by the Commission from time to time."
3. In accordance to the above, the Commission hereby fixes the Trading margin as under:

Trading Margin: The licensee shall not charge trading margin exceeding seven (7.0) paise/kWh in case the sale price is exceeding Rupees three (3.0)/kWh and four (4.0) paise/kWh where the sale price is less than or equal to Rupees three (3.0)/kWh. This margin shall include all charges, except the charges for scheduled energy, open access and transmission losses. The trading margin shall be charged on the scheduled quantity of electricity.

Provided that trading margin specified under these regulations shall be the cumulative value of the trading margin charged by all the traders involved in the chain of transactions between the generator and the ultimate buyer, that is to say, trading margin in case of multiple trader-to-trader transactions shall not exceed the ceiling trading margin specified under this order.

Explanation: The charges for the open access include the transmission charge, operating charge and the application fee.

This order shall come into effect from the date of its issue.

**(By order the Commission)**

(S. GUNASEKARAN)  
Secretary

**To**

**The Chairman and Managing Director/TANGEDCO**  
**The Chairman/TANTRANSCO**  
144, Anna Salai, Chennai – 2.