

Minutes of Meeting regarding clarifications on Open Access, Regulations 2011 held on 24.11.2011

A meeting was held on 24th November, 2011 in the Commission's conference room to discuss various issues raised by the utilities and consumers regarding implementation of the GERC (Terms and Conditions of Intra-state Open Access) Regulations, 2011. List of participants is at **Annexure – I**.

Member (Technical), GERC welcomed the participants and stated that the Commission has been receiving representations from various utilities/SLDC and consumers regarding issues faced by them in implementation of the GERC (Terms and Conditions of Intra-state Open Access) Regulations, 2011. He said that this meeting has been convened to sort out these issues and stressed that open access has been given special importance in the Electricity Act, 2003 and all the stakeholders are required to implement it in its true spirit.

The points discussed during the meeting and decision taken by the Commission on it is given in the table below.

Sr. No.	Clarification Sought by the Discom	Decision taken in the meeting
1	<p>Calculation of Capacity Availability in the system:</p> <p>(i) The distribution licensees submitted that while working out the deviation by Open Access customer during any time block the transaction under open access are to be set off first against the actual drawl and if actual drawl during any time block exceeds the schedule drawl but within the contract demand the remaining drawl is to be charged at applicable tariff rate. It transpires from the above provisions that Open access transactions are over and above the contact demand and capacity assessment for the Distribution System has to be assessed accordingly. However, this needs to be clarified.</p> <p>(ii) SLDC sought clarifications regarding applicability of APTEL judgement for</p>	<p>(i) It was clarified that an open access meeting either its existing load of for any additional load. In orders to assure the available capacity of the distribution system, the open access applicant may be asked to furnish the total simultaneous power drawal from both the sources, viz. the distribution licensee as well as through open access. The assessment of available capacity should be made on the basis of such simultaneous drawal.</p> <p>(ii) Cases of open access customers, similar to those covered by the orders of Hon'ble APTEL in Appeal Nos. 45 of 2011 and IA Nos. 56 & 196 of 2011, should be dealt with by the SLDC, in the matter specified by the Hon'ble APTEL in the above cited orders.</p>

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	<p>grant of open access to the consumers who are receiving power having no excess capacity in the line may be allowed by taking undertaking from such customer</p>	
2	<p>Reactive Energy Charges for the open access users having load more than 4 MW and above:</p> <p>The distribution licensees submitted that as per the methodology specified in the regulations for calculating the deviation for the Open Access customers who are also consumers of the Distribution Licensee, no UI is applicable to such customers. This is a very good provision for encouraging the Open Access. It has also been provided that Open Access customers of load less than 4 MW, reactive energy charges shall be calculated on Power factor basis, however customers having a load of 4 MW or above, the payment for the reactive charges by open access customers shall be in accordance with provisions stipulated in the Intra — State ABT Order. The provisions for open access customers having a load of 4 MW and above needs to be clarified in the context of Open Access customers who are also consumers Distribution Licensee, as otherwise there would be a duplicate billing for such customers for reactive energy drawl or such consumers would be penalized for compensating their reactive energy requirement by way of maintaining good power factor at voltage level 103% or more who are otherwise getting power factor rebate as per the provisions of Tariff Order. This may please be clarified.</p>	<p>It was clarified that the reactive energy drawal by the OA customers connected to STU network should be dealt as per the provision of Intra-state ABT orders, and they should not be covered under power factor based penalty/rebate. The OA customers connected to distribution network shall continue to be covered under power factor based penalty/rebate, or decided by the Commission in the tariff orders.</p>

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3	<p>Imbalance and Reactive Energy Charges from open access users with the same Distribution Licensee</p> <p>The distribution licensees submitted that it is required to clarify that as generating stations are covered under the Order of Intra State ABT Order, irrespective of their injection point and drawl point, the accounting (Calculating and collection) of imbalance transaction should be carried out by SLDC.</p>	<p>It was clarified that whenever the open access customer and its supplier is situated in the same distribution licensee area (i.e. injection and drawal point in same licence area) energy accounting has to be carried out by the distribution licensee concerned.</p>
4	<p>Scope of the open access regulations notified by the Commission</p> <p>The distribution licensee seek clarifications that as to whether regulations are applicable to the consumers who are availing power supply through Power Exchanges, particularly in regards to the Short term Open access.</p>	<p>It was clarified that OA transactions through power exchanges are to be treated as collective transactions and to be dealt according to the inter-state OA regulations of CERC.</p>
5	<p>Chapter 3 - "GENERAL PROVISIONS FOR OPEN ACCESS" at regulation 4</p> <p>The licensees sought clarification regarding regulations no. 9 (4) of the open access stating that the billing cycle for some category of consumer are on monthly/bi monthly basis. The billing done by the distribution/transmission licensees are not covering some of the dues like security deposit dues, meter dues etc. which are not part of the billing done by the distribution licensees in such situation the dues which are more than two months required to be recovered by the licensees shall be qualified as a dues and non-payment of the same the customer who desires open access shall not be eligible to open access.</p>	<p>It was clarified that the above regulation specifically provides that a person who is insolvent or bankrupt or having outstanding due against him for more than two months billing of the distribution/transmission licensee at the time of application shall not be eligible for open access.</p> <p>The outstanding dues must be regarding the bills issued by the licensees for supply of energy to the consumer and its related dues which are incorporated as a part of the bills issued by the licensees. The dues regarding security deposit etc. which are not part of the monthly/bi-monthly bills issued by the licensee shall not qualify for the above regulations.</p>

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6	<p>Chapter 3, regulation 9(5) The distribution licensee requested to clarify as to whether ABT compliant Special Energy Meter is required to be installed at the installation of open access customers having load less than 4 MW or not. Since, as mentioned above, consumers are not covered under UI mechanism, it is not required to install ABT Compliant Special Energy Meter, but the conventional static meter with the 15 minutes time integration period shall serve the purpose. It is also required to clarify as to whether cost of such meter is to be recovered from the customer or not.</p> <p>A point was also raised about installation of RTUs by the OA customers having load less than 4 MW and connected to distribution network.</p>	<p>It was clarified that Regulation 9(4) of the chapter -3 of GERC (Terms and Conditions of Intra-state Open Access) Regulations, 2011, pertaining to eligibility of open access and conditions to be satisfied by the open access customer. According to above provision, the open access customer shall have to install intra-state ABT complaint meters at their place for energy accounting. The meter shall be provided by the consumer or the same shall be provided by the distribution licensee. In case of meter provided by the distribution licensee the distribution licensee shall recover the energy meter amount from the consumer.</p> <p>The Commission also noted that it is provided that the open access customer shall required to provide Remote Terminal Unit (RTU) to facilitate SLDC in real time monitoring and operation of the system same shall be certified by the licensee concerned. However, it is found that in case of open access customer below 4 MW, since the installation of RTU and maintenance of the same is costly and somewhat cumbersome, installation of RTUs by such consumers need not be insisted upon.</p>
7	<p>Clause 14(2) (b): Medium Term Open Access</p> <p>M/s Ankur Scientific Ltd had approached the Commission to modify the Regulation No 14(2)(b) of the Open Access Regulations because otherwise after filing an application the applicant is not able to get open access upto 5months.</p>	<p>The Commission has considered the submission of M/s Ankur Scientific Ltd. and also the views of the licensees on it. It was found that the request made is genuine and valid and therefore the necessary amendment is required to be made in this regulation and time limit is required to be revised for grant of open access after filing an application should</p>

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		be revised to one month instead of five months after following due process of law.
8	<p>Denial of Open Access By the Torrent Power Limited</p> <p>The SLDC has submitted that the Torrent Power Ltd. informing all the Open Access Customer that if they desire open access they should require to surrender the contract demand with TPL.</p>	It was clarified that the provisions for open access provided in the Electricity Act, 2003 are meant for creating competition among the licensees and provide an opportunity to the consumer to avail power at cheaper rate if possible. It was further observed that the distribution licensees are supposed to fulfill their universal obligation to supply electricity to all the consumers in their license area. As such, no condition can be imposed on them to surrender their contract demand. It is the duty of the distribution licensee to provide unconditional open access to all such applicants.
9	SLDC has submitted that in case of short-term open access in regulation no. 15, provision of providing open access to the applicants within a category on first come first serve has to be made. The SLDC has also submitted that in table no. 1 provided in regulation no. 12 provides that the application for open access within the same distribution licensee area shall be processed by nodal agency, SLDC, while regulation Nos. 40 and 41 in chapter no. 11 provides that the open access application shall be made in prescribed format to the distribution licensee. Hence, necessary change in regulation 40 and 41 is to be made in accordance with table no. 1 of regulations no. 12.	<p>It was clarified that there is no need to amend the regulation no. 15, as the principle of first come first serve can be implemented within the existing provisions of the regulation.</p> <p>Regarding discrepancy between table 1 of regulation 11 and regulations 40/41, these appear to be a genuine issue. The Commission shall considers the matter and take necessary action to amend the regulations.</p>

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10	Quarterly reports for status of Open Access	The Commission found that after the notification the GERC terms and conditions of open access Regulations, 2011., there is only one case of distribution open access allowed by the distribution licensee, which is very poor. The Commission therefore directs SLDC and the distribution licensees to submit quarterly reports specifying (i) no. of application received for grant of open access (ii) applications processed by the nodal agency (iii) status of applications stating approval granted or not granted with reason and (iv) MW of the open access allowed for each application.

Annexure – I

The following representatives of various companies and members / staff of the Commission were present in the meeting:

Commission and Secretary:

1. Shri Pravinbhai Patel, Member (Technical), GERC
2. Dr. M.K. Iyer, Member (Finance), GERC
3. Dr. Ketan Shukla, Secretary, GERC

Representatives from the various companies:

1. Shri K.P.Jangid, GM (Commerce), GUVNL
2. Shri V.T.Patel, D.E., GUVNL
3. Smt. Venu Birappa, Ex. Engineer, GETCO
4. Shri Y.B.Sukhadia, ACE (R&C), MGVCL
5. Shri K.M.Dave, CE, MGVCL
6. Shri D.S.Doshi, ACE (T & C), UGVCL
7. Shri K.L.Jani, D.E., UGVCL
8. Shri Kamal Sindhi, D.E., UGVCL
9. Shri G.O.Dayalani, J.E., UGVCL
10. Shri R.P.Rawal, CE, UGVCL
11. Shri J.J.Gandhi, Dy CAO, PGVCL
12. Shri M.B.Parmar, DE DSM, DGVCL
13. Shri B.V.Shah, ACE, DGVCL
14. Shri P.A.Patel, Chief Engineer, SLDC
15. Shri K.J.Bhuva, Dy. Engineer, SLDC
16. Shri M N Shaikh, Executive Engineer, SLDC
17. Shri Samir Shah, VP (Finance), TPL

18. Shri Chetan Bundela, GM (Regulatory), TPL
19. Luna Pal, Manager (Regulatory), TPL
20. Shri Nisarg Shah, GM (Finance), TPL

Officers of the Commission:

1. Shri S.R. Pandey, Legal Advisor
2. Jignesh Makwana, Executive