

No. Comm/CP/RE-Open Access/ **No 3 4 4 5 7**

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COMMERCIAL CIRCULAR NO.: 249

Sub: Grant of Open Access to Consumers sourcing power from **Renewable energy generators** (Such as **Wind, Biomass, Bagasse, Solar, Small Hydro etc.**) --- Procedure for Application, levy of Cross Subsidy Surcharge, Standby supply charges & Additional Charges, Metering & Billing, etc.

Ref:

1. The Electricity Act, 2003 & all other enabling provisions.
2. The MERC (Distribution Open Access) Regulations, 2014
3. The MERC Order dated 9th September 2011 in Case No. 43 of 2010, dated 21.02.2013 in Case No. 138 of 2012 and dated 26.06.2015 in Case No. 121 of 2014..
4. Commercial Circular No. 174 dated 05.09.2012, No. 243 dated 03.07.2015

This Circular is issued without prejudice to any of the rights & contentions of MSEDCL that have already been raised or will be raised in any of the presently pending or future proceedings before any Court or Authority, as the case may be.

1. Preamble:

- 1.1 The Electricity Act, 2003 provides liberty to the consumer to procure his own requirement of power through Open Access and does not warrant dependence on the Distribution Licensee in whose area the consumer is situated.
- 1.2 As per EA 2003, Open Access may be allowed on payment of Cross Subsidy Surcharge (CSS), "Additional Surcharge", "Wheeling Charges", etc. as may be determined by the State Commission. The purpose of Cross Subsidy Surcharge has been clearly spelt out as a charge to be paid by Open Access Consumer to offset, the Cross Subsidy which he would have normally paid to the Distribution Licensee had he continued to be the consumer of the said Distribution Licensee.
- 1.3 The MERC de novo determined the CSS and also determined the Standby charges for Open Access consumer in the state of Maharashtra vide its order dated 9th September 2011 in Case No. 43 of 2010. The CSS was revised vide order dated 21.02.13 in Case No. 138 of 2012 and vide order dated 26.06.15 in Case No. 121 of 2014. The CSS for open access consumers sourcing power from renewable energy sources is concessional i.e. 25 % that of normal value.
- 1.4 In Maharashtra, there is a huge potential of Renewable energy sources such as Wind, Solar, Bagasse and to some extent bio-mass and small hydro; for generation of electricity. The Government of Maharashtra in co- ordination with MEDA and MSEDCL has always encouraged and promoted development of generation of electricity from renewable sources by providing suitable measures.
- 1.5 The MERC has determined preferential tariff for sale of Renewable Energy to Distribution Licensees and has also specified annual target for renewable power purchase for all Distribution licensees and open access consumers. Thus, it is obligatory for the Distribution Licensees and the open access consumers to purchase specified quantum of Renewable energy annually.
- 1.6 The MERC has notified the MERC (Distribution Open Access) Regulations, 2014 on 25th June, 2014 and accordingly this circular is being issued for providing guidelines and operational issues for open access sourced through renewable energy so as to align the provisions as per the Regulations, 2014.

2. Types of Renewable Energy:

In the MERC (Terms and Conditions for determination of RE Tariff) Regulations, 2010, Renewable Energy Sources have been defined as under:

'Renewable Energy Sources' means renewable sources such as mini, micro and small hydro, wind, solar, biomass including bagasse, bio fuel co-generation, urban or municipal waste and such other sources as recognized or approved by the MNRE;

Further, Non-firm power has been defined as below:

'Non-firm power' means the power generated from renewable sources, the hourly variation of which is dependent upon nature's phenomenon like sun (Solar), cloud, wind, etc., that cannot be accurately predicted.

Therefore, broadly there are two types of Renewable Power i.e. Firm Power & Non-Firm Power.

- 1) **Firm RE:** Power which is firm and schedulable i.e. Power generated from renewable sources such as bagasse, biomass, Municipal Solid Waste (MSW) etc.
- 2) **Non Firm RE:** Power which is not firm and is not schedulable i.e. Power generated from renewable sources such as wind, solar, mini, micro and small-hydro etc

3. Options available under Open Access:

Open Access is availed by RE generator for exercising following options:

- 3.1 Self Use i.e. own consumption
- 3.2 Third Party Sale i.e. sale to another open access consumer
- 3.3 Sale to Other Utility / Distribution Licensee i.e. TPC or R-Infra or BEST
- 3.4 Sale to Other Utility / Third Party Sale through Trader having Trading License.

As per the EA, 2003, Cross Subsidy Surcharge (CSS) is not applicable, subject to terms & conditions of eligibility, if the open access is availed for self use; the same is applicable for sale to Third Party.

Various such provisions of Act, Regulations and the MERC order in the subject matter are given as below.

4. Duration of Open Access:

- 4.1. **Long-Term Open Access (LTOA):** Long term Open Access means use of Distribution system for a period exceeding 12 years but not exceeding 25 years
- 4.2. **Medium-Term Open Access (MTOA):** Medium term Open Access means use of Distribution system for a period exceeding 3 months but not exceeding 3 years.
- 4.3. **Short-Term Open Access (STOA):** Short term Open access means use of Distribution system for a period not exceeding one (1) month.

The short-term and Medium-term Open Access users shall be eligible and re-eligible to obtain Open Access after expiry of their terms.

5. Eligibility Criterion for seeking open access:

- 5.1 As provided under Regulation No. 3.1 of the MERC (Distribution Open Access) Regulations, 2014, every consumer whose Contract Demand is 1 MVA & above shall be eligible for seeking Open Access, subject to compliance of other provisions of the Electricity Act, 2003 as well as the above mentioned Regulations.
- 5.2 Further, the power to be made available for open access at any time shall be 1 MW and above.
- 5.3 For consumers sourcing Non-firm RE power are exempted from the requirement of sourcing power 1 MW & above at any time.
- 5.4 The Open Access quantum shall be limited to the Original Contract Demand with MSEDCL before seeking Open Access for availing supply from Renewable Energy generating plant identified as 'Firm power'. This condition will not be applicable for availing supply from Renewable Energy generating plant identified as 'Non firm power'.
- 5.5 Further, as provided under Regulation No. 3.1 of the MERC (Distribution Open Access) Regulations, 2014, the Maximum Demand (MD) of such consumer in each financial year subsequent to his being granted Open Access shall be equal to or greater than 700 KVA. If the consumer fails in achieving MD equal to or greater than 700 KVA, in three consecutive months, MSEDCL shall be entitled to levy a penalty equal to the two times wheeling charges for the financial year or part thereof for which he had failed to achieve such MD. Also, in such case, MSEDCL can initiate the process of re-assessment and reduction of contract demand.
- 5.6 Individual eligible consumers in Distribution Franchisee Area may apply for Open Access, in accordance with Regulations subject to compliance of requirements of metering and other infrastructure for seeking Open Access in accordance with these Regulations. However, Distribution Franchisee shall not be eligible for seeking Open Access :
- 5.7 As per Regulation No. 3.1 of the MERC (Distribution Open Access) Regulations, 2014, Open Access Consumers may avail Open Access from Multiple Generating Companies only to extent so as to meet their Renewable Purchase Obligations (RPO) as specified in the MERC (RPO) Regulations, 2010 and as amended from time to time. Otherwise, open access from multiple generating companies is not permitted.
- 5.8 As per Regulation 4.2.6, the provision of open access to an eligible open access customer shall be subject to
 - Settlement of all dues of MSEDCL.
 - In case of dispute between MSEDCL and an eligible Open Access Customer relating to any charge for electricity or sum other than a charge for electricity claimed by the MSEDCL from such consumer, then such consumer shall be allowed Open Access, pending disposal of such dispute, only upon deposit of the disputed amount with MSEDCL, in accordance with Section 56 of the Act.
 - Interest will be paid to the Open Access Consumer at a rate equivalent to the rate at interest on security deposit is paid to a retail consumer for the portion of deposit that is returned to the consumer on resolution of the dispute.
 - The mix load consumers i.e. having two or more different categories of load recorded with a common meter and where the bills are issued with help of sub-meter will be eligible for open access only after sanction & release of separate electricity connection to individual consumer and fulfillment of eligibility criterion.
 - For the purpose of unit conversion from MVA/kVA to MW/kW, the unity power factor shall be considered.
 - The provisions of MERC (Distribution Open Access) Regulations, 2014 will be applicable for rooftop solar projects till the time the Commission specifies the terms and conditions for Open Access through general or specific Order.

- Compliance of all other terms & conditions including metering arrangement as specified in Regulation no. 23 of the MERC (Distribution Open Access) Regulations, 2014.
- 5.9 Open Access permission will not be granted to the consumers availing single point supply and sub-distributing it further to multiple consumers. E.g. Commercial Malls, IT parks, commercial complexes, software technology parks etc. Such consumers are required to apply for Distribution Franchisee through MoU route or have to take separate individual connections as per relevant MERC & APTEL orders.

6. Application /Procedure for Open Access:

- 6.1 Distribution Open Access procedure, Application Form & the format of Connection & Use of Distribution System Agreement are available in downloadable form on the website of MSEDCL – www.mahadiscom.in.
- 6.2 Application to seek open access shall be submitted by open access consumer and Generator/licensed traders authorized on behalf of their clients in accordance with Regulation 9.2, Proviso 2, Proviso 5 & Proviso 6 of MERC (Distribution Open Access) Regulations, 2014.
- 6.3 Application of open access generator can be considered only in such case when the applicant open access generator is situated in MSEDCL area and the open access consumer is situated in other Distribution Licensee area. The NOC from the concerned Distribution Licensee shall be submitted along with the application.
- 6.4 Duly filled Application Form, in prescribed format, shall be submitted to the office of the nodal officer, The Chief Engineer (Commercial), MSEDCL having office at 5th Floor, "Prakashgad", Bandra (East), Mumbai along with requisite Processing Fees (non-refundable) and certified true copies of the documents as may be required /informed from time to time.
- 6.5 The application shall be accompanied by a bank guarantee of Rs 5,000/- (Rupees Five thousand) per MW of the total power to be transmitted, in case of long term open access of Renewable Energy. The other terms and condition regarding bank guarantee shall be as per Regulation 10.2 of MERC (Distribution Open Access) Regulations, 2014.
- 6.6 Submission of application in advance is necessary as per Regulation No. 11 & 12 as below:
- Short Term Open Access : At least 20 days before start of open access
- Medium Term Open Access : At least 5 months before start of open access
- Long Term Open Access : At least 5 months to 2 years (subject to network augmentation) before start of open access
- 6.7 The consumer or person, if found eligible for grant of Open Access, shall have to execute Tri-Partite Agreement for Connection & Use of Distribution System.
- 6.8 The SE (O&M), MSEDCL shall be the nodal officer to implement the open access permission issued by the Chief Engineer (Commercial).
- 6.9 The SE (O&M), MSEDCL shall submit Techno commercial report of Open Access Consumer to Commercial Section by email within two working days from the date of intimation.

7. Metering:

- 7.1 As per Regulation No. 23 of the MERC (Distribution Open Access) Regulations, 2014, "Special Energy Meter" (SEM) will be installed by MSEDCL for Open Access consumers / generating stations, irrespective of their capacity, at the cost of consumer / generating stations.
- 7.2 As per Regulation 2 (gg) of the MERC (Distribution Open Access) Regulations, 2014, "Special Energy Meters" means meters installed in accordance with the Central Electricity Authority (Installation and Operation of Meters) Regulations, 2006, specified by the Central Electricity Authority and amended from time to time.

- 7.3 The special energy meter, as per specifications of MSEDCL, can also be purchased by the consumers from notified meter manufacturers.
- 7.4 Special Energy Meters shall be capable of time-differentiated measurements for time block-wise active energy and voltage differentiated measurement of reactive energy in accordance with the State Grid Code.
- 7.5 The commencement of open access shall be allowed only after installation of SEM at both ends i.e. generation end and consumption end.

8. Reduction in Contract Demand:

- 8.1 For consumers availing Open Access in the state of Maharashtra, MSEDCL for the purpose of reduction in Contract Demand (CD) will exercise its power drawn from Regulation 4.2 of the MERC (Distribution Open Access) Regulations, 2014.
- 8.2 When an eligible consumer applies for Long-term or Medium-term or Short-term Open Access to the distribution system of MSEDCL so as to obtain supply from a Generating Company or a Licensee or through Power Exchange, MSEDCL shall reduce the contract demand/sanctioned load of the consumer to the extent of quantum of electricity sought to be transferred through Open Access as follows:
- Firm Power Open Access:
Revised CD = Original CD - Open Access capacity approved
 - Non Firm Power:
Revised CD = Original CD - (Generation capacity contracted x CUF x Loss Factor)

Where, CUF: Capacity Utilization Factor as approved for type of non firm RE generation by MERC in its most recent RE Tariff Order.

Loss Factor: $(1 - \% \text{Transmission loss}) \times (1 - \% \text{Wheeling Loss})$:

Based on the Normative Transmission & Wheeling loss approved by MERC

8.3 Minimum period of reduction of Contract Demand:

For Short-term Open Access: One (1) month from the date of granting Open Access or Open Access period sought by consumer, whichever is higher.

For Medium term Open Access: Three (3) months from the date of granting Open Access or Open Access period sought by consumer, whichever is higher.

For Long-term Open Access: Three (3) years from the date of granting Open Access or Open Access period sought by consumer, whichever is higher.

- 8.4 In case of the embedded RE generators with option as self use (i.e. if the self use consumer is located in the same premises with respect to the generation), then the contract demand of the local consumer will not be reduced since the consumer is not required to avail Open Access for wheeling the energy.

9. Joint Meter Reading (JMR):

Open Access Generator and Open Access Consumer both located in the area under MSEDCL's jurisdiction:

a) At the time of commencement of open access, the energy meter reading shall be taken jointly at both ends by MSEDCL and the generator / consumer.

b) Monthly reading:

The energy meter reading will be taken jointly at both ends by MSEDCL and the generator / consumer every month. The SE (O&M) at the generator end shall be the nodal officer for taking the reading in 15 mins time block and informing the same to the concerned SE (O&M) located at the Open Access Consumer end. The SE (O&M) MSEDCL at the Open Access Consumer end shall be the nodal officer for taking the reading of the open access consumer in 15 mins time block and effecting

the credit in 15 mins time block as informed by the SE (O&M) at the generator end in line with the guidelines issued vide this Circular.

The monthly consolidated 15 minutes time block power schedule downloaded from SLDC website will be considered for energy accounting and billing in respect of Firm Power RE generator who is connected to MSETCL Network.

10. Issuance of Generation Credit Note (GCN):

- 10.1 The SE (O&M) where the RE generator is situated shall be the Nodal Officer.
- 10.2 The import power / energy used for start-up / restart up by the RE generator shall be billed at Temporary tariff (variable/energy charges) unless otherwise a different tariff is prescribed in the open access permission / sanctioned for start-up power.
- 10.3 After payment of open access charges as above by the RE generator / open access consumer at generation circle, a Generation Credit Note will be issued by the Nodal Officer indicating the "Total Generation" (without applying any loss) of the RE generator for the respective month. The 15 min time block wise MRI data along with details of Multiplying Factor (M.F.) shall be sent to the SE (O&M) where the open access consumer is situated along with the GCN. In case of group metering the contribution of RE generator in percentage terms shall be indicated in the GCN.

11. Energy Accounting & Billing:

- 11.1 The SE (O&M) where the open access consumer is situated shall be the Nodal Officer.
- 11.2 The energy accounting and billing shall be carried out on 15 min time block basis, in case of both firm RE and Non-firm RE, by the Nodal Officer.
- 11.3 The open access consumer shall be allowed credit of energy at drawl point after deduction of applicable losses (Wheeling Losses & Transmission losses) from the energy injected in the Grid.
- 11.4 The generation credit units, after deduction of applicable loss to the energy injected in the MSEDCL grid, shall be adjusted / set off against the consumption in the corresponding 15 minutes time block and the bill shall be raised for one month accordingly.
 - a. Credit for energy injected shall be provided strictly on the basis of 15 minute time block basis.
 - b. **Firm RE:**

In case of **over drawal** by an open access consumer, he is liable to pay higher of the two options below.

 - i) The System Marginal Price (SMP) plus other Incidental charges (Net UI charges, additional UI) or any other intra-State ABT settlement charges as identified under the intra-State ABT mechanism operating in the State from time to time or,
 - ii) The Energy charge or Variable Charge of temporary tariff category, whichever is applicable, as identified in the Tariff schedule as determined by the Commission from time to time for the concerned Distribution Licensee.

The over drawn energy shall be billed as per Variable Charge of temporary tariff category in general till confirmation of applicability of SMP plus other Incidental charges from MSLDC / SE(LM) / CE(PP). The difference shall be payable by open access consumer if SMP is higher. The reconciliation shall be carried out quarterly.

In case of **Under drawal** by an open access consumer:
No charges will be paid to the Open Access consumer by MSEDCL:

However, if any penal charges are levied under the inter-State UI mechanism, this charge shall be recovered from the Open access consumer on a pro-rata basis by MSEDCL.

c. Non-Firm RE:

Over drawal by open access consumer: The over drawn energy shall be billed as per Variable Charge of temporary tariff category. The demand penalty will be applicable as per rule if demand is exceeded.

Under Drawal by open access consumer: The surplus energy, after set off with Open Access Consumer's consumption in the same 15 minutes time block, shall be purchased by the MSEDCL at the Average Power Purchase Cost (APPC) of MSEDCL approved by the Commission for respective year and MSEDCL will be able to meet its Renewable Purchase Obligations (RPO) through purchase of such surplus energy.

11.5 Partial Open Access:

In case of partial open access consumer where partial demand is met through open access, the consumption shall be charged as below:

The generated units corresponding to the generation schedule (commensurate with the capacity mentioned in open access permission) shall be offset / adjusted against the consumption units.

Balance consumption units, if any, thereafter shall be adjusted against the units permissible as per MSEDCL's retained contract demand.

The units permissible as per MSEDCL contract demand shall be charged as per the tariff applicable to the respective consumer category as per prevalent MERC order from time to time.

The balance consumption units, over and above of generation units plus those permissible as per MSEDCL's retained contract demand, shall be charged at standby supply charges which is equivalent to temporary tariff as per applicable Rules and Regulations".

The over drawal of energy will be treated as per Clause No. 11.4 stated above.

In case of Partial Open Access consumer of MSEDCL, Partial Open Access consumers shall pay the Transmission charges to MSEDCL instead of Transmission Utility for using a transmission network.

11.6 Demand Charges & Penalty:

The maximum demand shall be maintained by the open access consumer within the limit of its original contract demand with MSEDCL.

The demand charges shall be payable on the contract demand retained with MSEDCL.

If the maximum demand in any 15 time block exceeds the MSEDCL retained contract demand then demand penalty charges will be applicable, as per MERC order issued from time to time, on the exceeded demand quantum subject to deduction of Open access generation demand in the same time block, if any.

11.7 Standby Supply Charges:

In the event of termination of supply by the Supplier or in case of outages of generator supplying to Open Access consumer, MSEDCL will provide Standby supply to meet the requirement of load catered through Open Access until such time as alternative arrangements for supply has been arranged by the Open Access consumer.

Such Standby supply would continue to be provided by the MSEDCL at day-ahead request from the Open Access consumer and such Standby supply once commenced shall be applicable for all 96 time blocks for the day.

The Open Access consumer shall for that supply be liable to pay energy charges either at UI charge or the System Marginal Price identified under the Intra-state ABT mechanism or the

Energy charge or Variable Charge of temporary tariff category, whichever is applicable for MSEDCL as provided in the Tariff schedule approved by the Commission, whichever is higher.

If a consumer opts for Open Access to avail 'Non-firm power' from a Renewable energy generator as defined in MERC (Terms and conditions for determination of RE Tariff) Regulations, 2010, as amended from time to time, and for such energy supplied to extent of retained Contract Demand maintained by the consumer with the MSEDCL, the charge payable shall be tariff applicable for the category applicable to such consumer and appropriate penalty shall be levied on exceeding Contract Demand in accordance with the Orders of the Commission.

Open Access customers will have the option to arrange stand-by power from any other source.

11.8 As per Regulation No. 15 of the MERC (Distribution Open Access) Regulations, 2014, the bill will be raised on the Supplier / Open Access consumer whosoever is located in the MSEDCL's area of supply and who have opted for Open Access for use of MSEDCL distribution system for wheeling of electricity. The bill shall include the following charges :

- i) Wheeling Charges & Transmission Charges, as may be applicable;
- ii) Cross Subsidy Surcharge, as may be applicable;
- iii) Additional Surcharge on the Charges of Wheeling, as may be applicable;
- iv) Standby Charges, as may be applicable;
- v) Dedicated Distribution Facility (DDF) Charge, as may be applicable;
- vi) Imbalance & Reactive Energy Charge, as may be applicable;
- vii) Voltage Surcharge, as may be applicable;
- viii) Operating Charges, as may be applicable;
- ix) Scheduling charges as may be applicable;
- x) Cost of communication for real time communication between the Open Access consumer and the Distribution Licensee and/or SLDC, as may be applicable;
- xi) Any other charge or other sum recoverable

11.9 If MSEDCL schedules power for the Open Access Customer, the SLDC fees and charges payable by MSEDCL will be shared with the customer based on the ratio of scheduled demand of Open Access sought to the total demand of MSEDCL on a pro-rata basis for Long-term and Medium-term Open Access customer. The scheduling and other operating charges will be levied by MSEDCL for Short-term Open Access customer at the same rate as approved by the Commission for Short-Term Open Access customers in the Order of SLDC Fees and Charges from time to time.

11.10 The Generator/Consumer/Trader shall submit the monthly soft copy of consolidated 15 minutes time block power schedule downloaded from SLDC website & approvals taken from SLDC by email to oaschedule@gmail.com & concerned nodal officer. The nodal officer shall submit verified monthly consolidated power schedule & any static changes for billing to oabilling@gmail.com .

In case of non co-operation by the generator or non submission of generation data in 15 minutes time block, the consumer shall be required to pay the monthly bill as per the tariff of MSEDCL without any credit adjustment.

12. Purchase of Surplus Energy in respect of Non-firm RE by MSEDCL:

- The surplus energy, after set off with Open Access Consumer's consumption in the same 15 minutes time block, will be purchased by MSEDCL at the Average Power Purchase Cost (APPC) approved by the MERC for respective year.
- The Non-firm RE generator shall submit an undertaking to MSEDCL field office that he is willing to sell the surplus energy to MSEDCL at APPC rate approved by MERC.
- The surplus energy units will be intimated by the consumer circle to the generation circle and the Non-firm RE generator every month.

- The RE generator shall raise the invoice for the payment to the generation circle.
- The Generation circle / Nodal Officer will make the payment to the Non-firm RE Generator as per rule.

13. Banking Facility:

Banking of Units, in terms of carrying forward of surplus units in a given time slot for future consumption, is not permitted as per MERC (Distribution Open Access) Regulations, 2014.

14. Reactive Energy Charges:

In respect of Open Access Customer having a load of 5 MW or above, the methodology for payment for the reactive energy charges by Open Access consumers shall be in accordance with provisions stipulated in the State Grid Code and MYT Regulations, 2011 as amended from time to time. In respect of Open Access consumers of load less than 5 MW, reactive energy charges shall be calculated on Power Factor basis as specified by the MERC. In case of RE Generators Reactive Energy charges will be applicable as per respective Tariff Orders.

15. Cross Subsidy Surcharge: (CSS):- (25 % for RE)

Cross Subsidy Surcharge (CSS) determined on Per Unit basis shall be payable, on monthly basis, by the Open Access consumers based on the actual energy drawn at the consumption end during the month through Open Access. The amount of surcharge shall be paid to MSEDCL. The CSS as determined by the Hon'ble Commission and as amended from time to time shall be applicable.

In line with the National Tariff Policy, the Commission has previously adopted the following formula for determination of the CSS: **CSS = T-[C (1+L/100) + D]**

Where; **T** is tariff payable by the relevant category of consumers, **C** is weighted average cost of power purchase of top 5% at margin excluding liquid fuel based generation and renewable power, **D** is the wheeling charge & **L** is the % system loss for the applicable voltage level.

Currently, the Commission has revised the CSS formula vide MERC order dated 26.06.2015 in Case No. 121 of 2014 as below:

CSS = ABR (Average Billing Rate) – ACoS (Average Cost of Supply)

The CSS has been determined vide MERC order dated 26.06.15 in Case No. 121 of 2014 and the same shall be applicable as stipulated in the Commercial Circular No. 243 dated 03.07.2015.

Presently, for open access consumers sourcing power from Renewable Energy Source, only **25 % CSS** of the corresponding consumer category will be applicable.

16. Wheeling Charge & Applicable Losses:

The wheeling charges and losses pertaining to Distribution Open Access shall be applicable as determined by the MERC through its Tariff order for MSEDCL issued from time to time. The existing wheeling charges & loss as per MERC order dated 26.06.2015 in Case No. 121 of 2014 are as under:

Particulars	EHV	33 KV	22 or 11 KV	LT
Wheeling Charge (Rs. Per unit)		0.15	0.83	1.42
Wheeling Loss (%)	-	6%	9%	12 %

Similarly, the transmission charges and loss are determined by the MERC through *suo -motu* proceedings for determination of Transmission Tariff for Intra state transmission system (InSTS) from time to time. The same shall be applicable for open access transactions.

If RE injection is at 33 KV voltage level or below, the wheeling loss shall be deducted first from the generation units and then the transmission loss shall be deducted from the remaining units and vice versa.

As per the MERC order, the higher of the wheeling charges & loss pertaining to the voltage level at which the RE generator & open access consumers are connected, shall be applicable. e.g. If the RE injection is at 33 KV level and the Open access consumer is connected at 22 KV level, the wheeling charges of 22 KV level, which are higher, shall be applicable for open access transaction.

Note:

1. Commercial Circular No. 243 Dated 03.07.2015 may be referred for levy of transmission charges.
2. The transmission charges shall be levied on Rs/Kwh basis for renewable energy transactions.
3. In case open access consumer is situated in the area of supply of other Distribution Licensee, only wheeling charges will be recovered by MSEDCL. The transmission charges will be recovered by concerned Distribution Licensee or MSLDC.
4. In case of consumer uses dedicated distribution facility at voltage level 33 kV and below for wheeling of open access power from point of injection to point of drawal, shall pay the 50% of wheeling charges at the voltage level to which consumer is connected as Dedicated Distribution facility Charge instead of wheeling charges.
5. The open access consumer shall have to apply for transmission open access also
 - In case either the injection point or drawl point is connected on EHV (> 33 kV) network and
 - If the RE generator and the open access consumers are situated in area of supply of two different distribution licensees.

17. Connection and Use Of Distribution System Agreement:

The RE Generator / Supplier / Trader and the Open Access consumer shall execute a Connection and Use of Distribution System Agreement with MSEDCL as per Regulation No. 6 of MERC (Distribution Open Access) Regulations, 2014.

18. Additional Surcharge:

As per Regulation 18.1 of MERC (Distribution Open Access) Regulations, 2014, an Open Access consumer, receiving supply of electricity from a person other than the Distribution Licensee of his area of supply, shall pay to the MSEDCL an additional surcharge on the charges of wheeling and cross-subsidy surcharge, to meet the fixed cost of such Distribution Licensee arising out of his obligation to supply as provided under sub-section (4) of section 42 of the Act.

This additional surcharge shall be determined by the MERC and shall be applicable to open access consumers. Presently, the same is not determined by the MERC for MSEDCL Open access consumers.

19. Late Payment Surcharge:

As per Regulation 29 of MERC (Distribution Open Access) Regulations, 2014, a late payment surcharge at the rate of 1.25 per cent (%) per month shall be applicable in case the payment of any bill for charges payable under these Regulations is delayed by an Open Access customer beyond the due date.

20. Default in Payment :

As per Regulation 30 of MERC (Distribution Open Access) Regulations, 2014, non-payment of any charge or sum of money payable by an Open Access customer shall be considered non-compliance and Open Access may be discontinued by MSEDCL after giving an advance notice of fifteen days without prejudice to its right to recover such charges as per provisions of the Act.

21. Incentives & penalties:

- 21.1 Whenever a consumer opts for Distribution Open Access for his entire load requirement such consumer shall not be held eligible for the incentives as may be applicable as per MERC tariff order like Load Factor Incentive, Power Factor Incentive, Early Payment Incentive or any

such other incentive as may be introduced by the Commission in future, as it ceases to be a consumer of MSEDCL.

- 21.2 Whenever a consumer opts for Distribution Open Access for his partial requirement of load, such consumer shall be eligible for incentives, which may be applicable as per MERC Tariff Order for MSEDCL consumer; only to the extent it uses MSEDCL supply.
- 21.3 The consumer shall be liable to pay the penalty charges which may be applicable as per MERC tariff order, amended from time to time, if the power factor is not maintained at required level as per State Grid Code.
- 21.4 In case of default in payment of any of the charges otherwise payable by a consumer /person who has been permitted Distribution Open Access, MSEDCL shall have the right to dislocate the arrangement of wheeling of power after giving an intimation of 24 hours to such consumer / person and in such circumstances, MSEDCL shall not be liable to pay any compensation to such consumer or person for the loss that such consumer or person may sustain on any account.

22. Flexibility to change the points of injection and drawal :

Short Term Open Access: The consumer may be permitted to change the point of injection at his cost in case of any contingency arising from outage of generation or its associated network, provided it is technically feasible. Such change will be permitted only once during tenure of the Open Access period.

Long-term and Medium term Open Access: The consumer shall have the flexibility to change the point of injection and/or point of drawal at his cost twice in a year subject to technical feasibility. The application for the same needs to be submitted three months in advance. The second change will be permitted only after a lapse of 6 months from the first change being made effective.

23. Scheduling:

- Scheduling of inter-State Open Access transactions shall be as per IEGC, as amended from time to time.
- As per Regulation 22 of MERC (Distribution Open Access) Regulations, 2014, Intra-State Open Access transactions in respect of consumers of load 1 MW and above and all generating stations irrespective of the capacity shall be scheduled by SLDC in accordance with the provisions of the State Grid Code.
- Open Access Customer shall intimate his day-ahead schedule to MSEDCL also maximum by 10:00 hours of preceding day so as to incorporate the same in its schedule to be provided to the SLDC.
- Partial Open Access Consumers of MSEDCL shall submit the schedule to MSEDCL only.
- Renewable Energy generating plants identified as 'Non-firm power' are exempted from scheduling till such time the MERC amends this condition.

This circular supersedes all the previous circulars and permissions issued in respect of open access. The terms and conditions of the previous permission, which are not in line with this circular, shall stand amended in line with the terms and conditions of this circular w.e.f.01.08.2015.

All the field officers are requested to take necessary action accordingly.


Chief Engineer (Commercial)

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