

CE/Comm/CP/CSS/Corrigendum/**17728**

Date: **25.06.2013**

COMMERCIAL CIRCULAR NO.: 199

Sub: Corrigendum to Commercial Circular No. 190 dated 14.03.2013 and 194 dated 09.04.2013 in the matter of CSS applicable to RE open access.

- Ref:**
1. MERC order dated 9th September 2011 (Case No. 43 of 2010)
 2. MERC order dated 21st February 2013 (Case No. 138 of 2012)
 3. Commercial Circular No. 190 dated 14.03.2013
 4. Commercial Circular No. 194 dated 09.04.2013
 5. MERC clarificatory order dated 23rd May 2013 (Case No. 48 and 50 of 2013)

This office has issued the Commercial Circular No. 190 dated 14.03.2013 regarding revised Cross Subsidy Surcharge (CSS) applicable to Open Access consumers sourcing from RE generators based on MERC order dated 21st February 2013 in Case No. 138 of 2012. In the said MERC order there is no mention regarding Concessional CSS to open access consumers sourcing power from RE generators. Hence the revised CSS was uniformly applicable to all open access consumers including those sourcing power from RE generators. The same was conveyed to all vide MSEDCL Commercial Circular No. 190 dated 14.03.2013.

The clause no. 5 in Commercial Circular No. 190 is reproduced as below:

- 5.** *"The revised CSS shall be applicable to all consumers (sourcing power from Conventional as well as RE Sources) in licence area of MSEDCL, who opt for Open Access, under the MERC (Distribution Open Access) Regulations, 2005."*

Subsequently, the Commercial Circular No. 194 dated 09.04.2013 was issued regarding grant of Open Access to consumers sourcing power from Renewable Energy generators. The issue of CSS was addressed at clause no. 8 and clause no. 15 which is reproduced as below:

8 CROSS SUBSIDY SURCHARGE (CSS):

The CSS as determined by the Hon'ble Commission and as amended from time to time shall be applicable. Currently, the CSS shall be levied as per the Commercial Circular No. 190 dated 14.03.2013 which is in line with MERC order dated 21.02.2013 in Case No. 138 of 2012.

15 Grant of Open Access to Consumers sourcing power from Biomass and Bagasse based Cogeneration Projects:

*The Open Access to the consumers sourcing **firm** power from Biomass and Bagasse based Cogeneration Projects shall be dealt in line with the Commercial Circular No. 169 dated 13.06.2012. However, the Concessional CSS (i.e. 25%) of the corresponding consumer category*

will be applicable up to 21.02.2013. Thereafter the CSS will be applicable as per the Commercial Circular No. 190 dated 14.03.2013.

Now Vide MERC clarificatory order dated 23.05.2013 (Case No. 48 and 50 of 2013), the Hon'ble Commission has issued directives as under:

"The Commission directs MSEDCL to modify para 5 of Commercial Circular No. 190 dated 14.03.2013 related to application of revised CSS on Open Access Consumers purchasing power from Renewable Sources of Energy."

In line with above, the clause No. 5 of Commercial Circular No. 190 dated 14.03.2013 is modified as under:

"The revised Cross Subsidy Surcharge (CSS) shall be applicable to all consumers in licence area of MSEDCL, who opt for Open Access, under the MERC (Distribution Open Access) Regulations, 2005 except Captive Consumers. However, the CSS at 25% of the revised CSS is payable by the open access consumers sourcing power from renewable sources of energy."

Also, the Commercial Circular No. 194 dated 09.04.2013 shall be revised to that extent. All the other terms and condition of Commercial Circular No. 190 and 194 shall remain unchanged.

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


CHIEF ENGINEER (COMMERCIAL)

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