

**Before the
MAHARASHTRA ELECTRICITY REGULATORY COMMISSION
World Trade Centre, Centre No.1, 13th Floor, Cuffe Parade, Mumbai 400005.
Tel. 022 22163964/65/69 Fax 22163976
Email: mercindia@merc.gov.in
Website: www.mercindia.org.in/ www.merc.gov.in**

CASE No. 98 of 2017

In the matter of

Petition of Maharashtra State Electricity Distribution Co. Ltd. for amendment in Open Access Regulations and Practice Directions relating to levy of Wheeling and Transmission Charges on energy drawal at consumption end in Rs. / kWh

Coram

**Shri Anand B. Kulkarni, Chairperson
Shri Mukesh Khullar, Member**

Maharashtra State Electricity Distribution Co. Ltd. Petitioner

Appearance:

For the Petitioner : Shri Ashish Singh (Adv.)
: Shri Satish Chavan, MSEDCL

Authorised Consumer Representative : Dr. Ashok Pendse, TBIA

ORDER

Dated: 19 June, 2018

Maharashtra State Electricity Distribution Co. Ltd. (MSEDCL) has filed a Petition on 16 June, 2017 seeking amendment of the MERC (Distribution Open Access) Regulations, 2016 ('DOA Regulation s') and MERC (Transmission Open Access) Regulations, 2016 ('TOA Regulation s'), and the Practice Directions issued on Processing of Open Access (OA)

Applications and on levy of Wheeling/Transmission Charges on actual energy drawal at consumption end on Rs. /kWh basis, and refund of any amount recovered in excess of the charges.

2 MSEDCL's prayers are as follows:

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- a) *To admit the Petition as per the provisions of the Distribution Open Access Regulations.*
- b) *To levy transmission and wheeling charges for consumers availing STOA consecutively for period exceeding three months on the contracted demand i.e. on Rs/kVA / Month basis.*
- c) *To levy transmission and wheeling charges for STOA consumer on the basis of Rs./kVA/Day basis.*
- d) *The charges for STOA consumers shall be such that it is at par the MTOA / LTOA rates.*
- e) *MSEDCL may be permitted to recover the difference in Transmission charges calculated on Rs/kWh and Rs/ kVA/Month (or Rs/kVA/Day whichever is applicable) from the STOA consumers for the past period.*
- f) *To allow to reject incomplete open access application without any further opportunity to applicant.*
- g) *The Practice Directions dated 08.03.17 may please be amended suitably....”*

3 The Petition states as follows:

3.1 The Commission has issued Practice Directions dated 8 March, 2017 on the DOA and TOA Regulations, 2016 on processing of Open Access Applications on the following issues:

- a) A Short Term Open Access (STOA) Consumer, Generating Station or Licensee using a Distribution System shall pay Wheeling Charges or Transmission Charges on Rs/kWh basis at consumer's end. Any excess recovery will be refunded within a month, with applicable interest.
- b) Wheeling and Transmission Charges shall not be applicable for non-utilisation of the STOA granted for sourcing RE power. Distribution Licensee shall refund any amounts recovered on this account within a month, with applicable interest,

- c) CT/PT augmentation will not be required unless the existing Metering arrangement is inadequate for meeting the stated STOA or MTOA drawal
- d) Distribution Licensee shall convey, within the next 15 days, its decision, with reasons for rejection if relevant, on all those Applications which are pending for decision or reply beyond the stipulated period. The Licensee may be liable for the consequences arising from the delay in deciding or conveying its decision on such Applications.
- e) Where an Application is made for Transmission or Distribution Open Access to the Nodal Agency, it shall communicate any preliminary or procedural deficiency within three working days from its receipt.

3.2 MSEDCL was not given an opportunity to submit its views. Hence, MSEDCL is filing the present Petition regarding its concern over the above Practice Directions.

3.3 Duration/ Term of Open Access as per Regulations:

- a) Regulation 7. 2 of DOA Regulations, 2016 categorizes Open Access on the basis of duration of Open Access sought which is as below:

“7.2 Duration of Open Access

The Open Access shall be categorized on the basis of its duration as follows:

<i>Open Access Category</i>	<i>Duration</i>
<i>Long-term Open Access (LTOA)</i>	<i>Exceeding twelve years but not exceeding twenty-five years</i>
<i>Medium-term Open Access (MTOA)</i>	<i>Exceeding three months but not exceeding three years</i>
<i>Short-term Open Access (STOA)</i>	<i>Not exceeding one month</i>

Provided that, for the period between three years and twelve years, the Applicant may seek multiple MTOA for a maximum period of three years at a time. “

- b) Under the above provisions of DOA Regulations, 2016, STOA has been permitted for a period not exceeding one month at a time whereas the Medium Term Open Access (MTOA) is for a period exceeding three months. Certain consumers are taking undue advantage of the interpretation of the definition of the OA Regulations, 2016 and are seeking Open Access for a period of one month under STOA for consecutive period of more than 3 months which should have otherwise come under the MTOA.

- c) A sample calculation depicting the losses suffered by MSEDCL for consumers availing STOA (consecutively for a period of more than three months) against MTOA for FY 16-17 is as below:

Source	Transmission charges actually collected (A) in Rs. Crore	Transmission Charges Rs/KW/Month (B) in Rs. Crore	Impact (C) = (B) – (A) in Rs. Crore
Conventional	212.84	227.29	14.44
RE	31.25	112.38	81.12
<u>Total Impact</u>			<u>95.56</u>

- d) As per the above Table, MSEDCL has incurred a loss of Rs. 95.56 crore during FY 2016-17 in case of consumers availing STOA consecutively for three months and not opting for MTOA. MSEDCL is paying the entire charges based on its share of average of Coincident and Non-Coincident Peak demand (CPD and NCPD) in MW to the State Transmission Utility (STU) whereas it is able to recover only a part of it from the Open Access consumers using the Transmission System.
- e) As certain consumers prefers STOA over MTOA, it leads to under-development of Transmission System because transmission planning is based on Long Term Access (LTA) (MTOA and STOA access are granted only on extra capacity available in the transmission line/system) and augmentation of lines are based on the LTA. Hence, this may lead to improper and inefficient planning for expansion of Transmission system and occurrence of congestion.
- f) Therefore, MSEDCL requested to amend the Open Access Regulations, 2016 to the extent of limiting the STOA to maximum of three consecutive months. Any consumer availing STOA for a period of more than 3 consecutive months may be treated as deemed MTOA consumer and may be charged MTOA charges. Accordingly the Practice Direction may also be amended. The Commission may also introduce a clause to curb such misuse by Open Access consumers by way of imposing the MTOA charges retrospectively on such consumers seeking STOA for more than three consecutive months from the date of availing STOA consecutively.

3.4 Billing of Open Access Consumers:

- a) As per DOA Regulations, 2016, the charges applicable on Open Access consumers are highlighted below, which include Transmission Charges apart from Wheeling Charges, Cross Subsidy Surcharge (CSS), additional surcharge and Maharashtra State

Load Despatch Centre (MSLDC) Fees and Charges. The relevant Regulations are reproduced below:

“14. Billing

14.1 The bill for use of the Distribution System for wheeling of electricity in its network shall be raised by the Distribution Licensee on the entity to whom the Open Access is granted, and shall indicate the following:

...(v) Transmission Charges:

Provided that a Partial Open Access Consumer, Generating Station or Licensee, as the case may be, shall pay the Transmission Charges to the Distribution Licensee instead of the Transmission Licensee for using a transmission network: ...”

- b) As per the above provision, a partial Open Access consumer has to pay Transmission Charges to the Distribution Licensee instead of the Transmission Licensee for using a Transmission network. Any Open Access consumer wheeling power through State Transmission System and also connected to the Distribution Licensee for meeting its partial power requirements/ demand is required to pay the Transmission Charges to the Distribution Licensee.
- c) Regulation 61.3 of the Multi-Year Tariff (MYT) Regulations, 2015 specifies the formula for the determination of Base Transmission Tariff of each year of the control period for long, medium and short term transactions. The relevant Regulations are reproduced below:

“61.3 Base Transmission Tariff for each Year shall be determined as ratio of approved ‘TTSC’ for intra-State transmission system and approved ‘Base Transmission Capacity Rights’ and shall be denominated in terms of “Rs/kW/month” (for long-term/medium-term usage) or in terms of “Rs/kWh” (for short-term bilateral open access transactions usage, short-term collective transactions over Power Exchange and for Renewable Energy transactions) in accordance with the following formula:

$$\text{Base Transmission Tariff (t) long term or short term} = \frac{\text{TTSC(t)}}{\text{Base TCR (t)}}$$

$$\text{Base Transmission Tariff (t) (Short-term) (Rs/kWh)} = \frac{\text{TTSC(t)}}{\sum_{i=1}^n (\text{Energy Transmitted by Tx (t)})}$$

- d) In line with the above provisions of MYT Regulations, 2015, the Commission has determined the Transmission Tariff for the use of the Intra-State Transmission System

(InSTS) Network for the third control period vide InSTS Tariff Order dated 22nd July, 2016. The Transmission Tariff determined is highlighted below.

TSU - Distribution Licensees	Units	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20
	Approved in this Order				
TTSC (approved)	Rs. Crore	4,596.26	5,805.51	6,519.27	6,599.91
Base TCR (approved)	MW	18,757	20,168	21,404	22,719
Transmission Tariff (long term/ medium term)	Rs./kW/ month	204.24	239.88	253.82	242.08
Transmission Tariff (short term/ short term collective/ renewable energy)	Rs./kWh	0.28	0.32	0.34	0.32

- e) The Commission has considered month-wise CPD and NCPD details for Transmission System Users (TSUs) for FY 2015-16 as provided by the MSLDC. However, MSLDC has not separated the contribution of the partial Open Access consumers in the area of MSEDCL from MSEDCL's share. Accordingly, the Commission has considered the Base Transmission Capacity of 18,824 MW based on the 12 monthly average of CPD and NCPD of TSUs from April, 2015 to March, 2016 including the demand from Open Access consumers. Accordingly, MSEDCL is liable to pay the transmission charges for the contribution in the CPD and NCPD by the partial Open Access consumers.
- f) Following Charges are payable by the Long Term consumers and STOA consumers as per the MSEDCL MYT Order No. 48 dated 3 November, 2016 and MSETCL MYT Tariff Order dated 22nd July, 2016 as under for the control period:

Particulars	Units	2016-17	2017-18	2018-19	2019-20
Sales of MSEDCL approved in the Order	MUs	91,733	96,701	102,076	107,890
Intra State Transmission Charges	Rs. Crore	4,611	5,824	6,539	6,619
Transmission Charges (For MSEDCL consumers)	Rs. kWh	<u>0.50</u>	<u>0.60</u>	<u>0.64</u>	<u>0.61</u>
Transmission Tariff (short term/ short term)	Rs./kWh	0.28	0.32	0.34	0.32

collective/ renewable energy Open Access Consumers)					
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- g) As seen in the above Table, STOA consumers are paying much lower Transmission Charges as compared to the common consumers of MSEDCL. The lower Open Access Transmission Charges for availing STOA is giving unfair advantage to STOA consumers over the common consumers of MSEDCL. The lower levy of Transmission Charges on STOA consumers is putting additional financial burden on MSEDCL which gets passed on to the consumers of MSEDCL by way of increased Tariffs.
- h) In the interest of the Grid security and grid balance, STOA charges should be higher than the MTOA and LTOA as to limit the STOA transactions.

3.5 Short Term Transmission Charges in other States:

- a) In other States like Gujarat, Rajasthan, Karnataka and Madhya Pradesh, STOA consumers are charged Transmission Charges based on Rs./MW/day basis. The STOA consumers are being charged on per unit basis in Maharashtra, which results in lower Transmission Charges.
- b) MSEDCL requests to amend Regulation 61.3 of MYT Regulations, 2015 for denominating STOA consumers in terms of Rs./kWh/Day or Rs./MW/Day to reflect the availability of the transmission capacity for the Open Access consumers.

3.6 Draft Central Electricity Regulatory Commission (CERC) (Sharing of Inter State Transmission Charges and Losses) Regulations, Fifth Amendment 2016:

- a) CERC in its draft Amendment Regulations has proposed to increase the MTOA and STOA Charges.
- b) CERC has indicated in the Explanatory Memorandum to the Draft Regulations that the Generators who have applied for LTA quantum corresponding to their installed capacity intend to remain connected with the Grid but at the same time they are relinquishing the LTA in order to avoid the commitment for payment of Transmission Charges. This causes burden of higher Transmission Charges on other long term customers. The MTOA and STOA are granted only on the margins available in the Transmission System and no augmentation is carried out for the purpose of granting MTOA/STOA. As our transmission planning is connected with LTA, this scenario is likely to lead to under building of transmission capacity thereby leading to instances of congestions.

- c) Taking a cue from the recent hike in the short term transactions, CERC has proposed in draft amendment of Connectivity Regulations to increase the MTOA and STOA charges to 1.25 and 1.35 times respectively that for normal Point of Connection (POC) rates specified so that adequate capacity augmentation takes place and which will also help in alleviating problems of congestion.
- d) MSEDCL requests the Commission to take suitable steps to increase the STOA Transmission Charges in order to reduce the quantum of STOA transactions and to encourage LTOA and MTOA.

3.7 Amendment in the levy of Transmission Tariff for RE based Open Access consumers:

- a) As per Regulation 61.3 of MYT Regulations, 2015, Open Access consumer based on RE Generation is billed on Rs. /kWh basis for Transmission Charges. In case of Renewable Energy (RE) based Open Access consumers application, MSEDCL has to maintain the transmission capacity equivalent to the installed capacity of the RE Generator . While the utilization of the transmission capacity is dependent on the real time RE Generation for some time / period transmission capacity is utilized to full installed RE capacity. It is evident from the generation pattern of wind mills that 70% of wind generation is taking place in 4 months i.e. from June to September and for few hours the generation reaches up to 80% of installed capacity. Thus, it means that the transmission capacity has to be available for the entire installed capacity but the corresponding utilization may be lower. Hence, there is excess reservation of transmission capacity for the Open Access consumers vis-à-vis the RE generation.
- b) As per Regulation 61.3 of MYT Regulations, 2015, RE power based Open Access consumers are billed the InSTS Charges on Rs. /kWh basis. Thus, Open Access consumers are paying the InSTS Charges on actual consumption while capacity correspondingly reserved for such consumption is much higher which is installed capacity of RE Generating Plant. This anomaly between the capacity utilization and Transmission Charges payment should be corrected and the InSTS Charges should be billed on Rs./MW/ Day basis. This will reflect the correct price for the transmission capacity reserved for such an Open Access consumer.
- c) In light of the above, MSEDCL request the Commission that Regulation 61.3 of MYT Regulations, 2015 should be suitably amended to provide that the base transmission tariff for RE based Open Access consumer be denominated in “Rs/MW/Day” for RE transactions).

3.8 Rejection of some Open Access Applications for non-submission in the prescribed format and other such procedural deficiencies:

- a) MSEDCL has already started 'online facility' for submission of Open Access applications as mandated in the DOA Regulations, 2016. The application for STOA can be made up to four months prior to the month of STOA, but not later than the tenth day of the preceding month.
- b) In case of STOA, it has been observed that, most of the applications are received one or two days prior to the last day of the submission. MSEDCL has to scrutinize large number of applications within very limited time. MSEDCL has already displayed on its website, the procedure for Open Access, all pro-formas, formats, list of documents to be attached. Further nearly all STOA consumers are applying for Open Access every month and are well conversant with the application procedure.
- c) It is the responsibility of the applicants to take proper care and upload necessary documents while submitting the applications and fill all fields like drawl point, injection point, OA demand, SEM details, agreement details etc.

In view of above, the Practice Direction may be amended for communication of any preliminary or procedural deficiency within three working days from its receipt.

4 In its additional submission dated 9 August, 2017, MSEDCL has stated as below:

4.1 In the para 3.8 of the Petition, MSEDCL has rightly submitted that the Transmission Charges for STOA should be higher than MTOA and LTOA, however, at point 9 (d) MSEDCL has prayed that Charges for STOA consumers shall be at par with MTOA and LTOA Charges.

4.2 In view of the above disparity, MSEDCL clarifies that Transmission Charges for STOA should be higher than the MTOA/LTOA. The prayer may be please be read accordingly.

5 The proceedings at the hearing held on 10 August, 2017 are summarized as follows:

5.1 MSEDCL stated that:

A) It has filed the Petition seeking amendment in the Open Access Regulations, 2016 and the Practice Directions dated 8 March, 2017 on following three issues :

- (a) Any consumer availing STOA for a period of more than 3 consecutive months may be treated as a deemed MTOA consumer and may be levied MTOA Charges.
- (b) STOA Charges should be higher than the MTOA and Long Term Open Access (LTOA) Charges. Transmission Charges for STOA may be allowed on Rs. /MW basis.
- (c) The cut-off date for Open Access Application should be 10th day of preceding month, including the deficiency rectification period.

- B) STOA has been permitted for a period not exceeding one month at a time whereas MTOA is for a period exceeding three months. Certain consumers are seeking Open Access under STOA for consecutive monthly periods exceeding 3 months, which would have otherwise come under the MTOA. MSEDCL incurs a financial loss in case of consumers availing STOA consecutively for more than three months but not opting for MTOA. MSEDCL is paying the entire Charges based on its share of average of CPD and NCPD in MW to the State Transmission Utility (STU) whereas it is able to recover only a part of it from STOA consumers.
- C) Therefore, Open Access Regulations, 2016 may be amended to the extent of limiting the STOA to maximum of three consecutive months. Any consumer availing STOA for more than 3 consecutive months may be treated as a deemed MTOA consumer and may be levied MTOA Charges.
- D) Applications for STOA can be made up to four months prior to the month of STOA, but not later than the 10th day of the preceding month. Some of the STOA consumers are submitting their applications one or two days prior to the last submission date. MSEDCL has already displayed the procedure for Open Access, all pro-forma, formats, list of documents to be attached with the application, etc. on its website. Most of the STOA applicants are applying for Open Access every month and are conversant with the application procedure. It is the responsibility of the applicants to take proper care and upload necessary documents while submitting the applications and fill all fields like drawal point, injection point, OA demand, Special Energy Meter details, agreement details, etc. Hence, the Open Access Applications may be restricted up to 10th day of the preceding month, including the deficiency rectification period.
- 5.2 The Commission observed that it has received 23 representations from various consumers/RE Generators seeking permission to file their objections and requesting a copy of the Petition. The Commission observed that, if it is prima facie satisfied regarding the need for amendment of the Regulations, it would have to undertake a public consultation process in which representationists will also have an opportunity for objections/suggestions. The amendment of the Regulations cannot be done through an Order, and hence there is no need to file Intervention Applications in the matter. Representative of the Applicants accordingly did not press the matter, but sought a copy of the Petition.
- 5.3 MSEDCL stated that it would upload its Petition on its internet website, and provide a copy to the applicants also.
- 5.4 Dr. Ashok Pendse, for Thane Belapur Industries Association (TBIA), an Authorized Consumer Representative, stated that the Open Access consumers are availing STOA rather than MTOA as there is benefit of 40 Paise /unit. There could be a mechanism to restrict STOA applications from the same consumers consecutively for more than three months during the financial year.

5.5 The Commission directed MSEDCL to file its additional submission within two weeks and upload it along with its Petition on its internet website.

6 In its additional submission dated 25 September, 2017, MSEDCL stated that:

6.1 The issues are as below:

- a) Repeated STOA sought for consecutive months for years together defeating the purpose of MTOA
- b) Charging of Transmission Charges on capacity (MW/kW) instead of units (MWh/ kWh)
- c) Cut off date for STOA should be 10th day of the preceding month in which Open Access is sought for.

(a) Repeated STOA sought for consecutive months for years together defeating the purpose of MTOA

6.2 MSEDCL has observed that many consumers/ Generators are opting for repeated STOA for consecutive months to save the Transmission Charges. MSEDCL has submitted the data along with the submission. This act of consumers/ Generators defeats the purpose and meaning of MTOA.

6.3 To overcome this, MSEDCL has suggested as follows:

- (i) Make STOA Charges more than MTOA to curb this deliberate act.
- (ii) STOA may be permitted for a period of three months in a financial year. In case a consumer/ Generator opts for STOA for more than three months in a financial year then it would automatically be treated as MTOA with retrospective effect.
- (iii) The Electricity Rules, 2005 envisage compliance of Captive criteria on annual basis hence, STOA shall not be permitted to Captive / Group Captive consumers.

(b) Charging of Transmission Charges on capacity (MW/kW) instead of units (MWh/ kWh)

6.4 MSEDCL collects the Transmission Charges from RE Open Access consumers on kWh (per unit basis) whereas it pay the Transmission Charges on kW (capacity) basis.

6.5 On account of this variation, there is a gap between the recovery of Transmission Charges and the payment of the Transmission Charges. The common consumers are suffering through financial burden due to the act of such Open Access consumers seeking STOA on monthly basis.

- 6.6 Thus it is proposed to levy Transmission Charges on capacity basis (kW) instead of per unit (kWh) basis. The practice is being followed by Gujarat, Rajasthan, Karnataka and Madhya Pradesh.
- 6.7 The Commission is empowered under the clause of Removal of Difficulty to issue general or specific Order to remove such difficulty. In past, the Commission has exercised the power in Case No. 48 of 2016 and Case No. 33 of 2017.
- (c) Cut off date for STOA shall be 10th day of the preceding month in which Open Access is sought for:
- 6.8 The process, formats as well as the documents required for STOA are well known. Most of the applicants being regular Open Access consumers are well aware of the procedure.
- 6.9 The STOA consumers are deliberately filing incomplete applications to evade getting blocked by the cut off date.
- 6.10 MSEDCL suggested that the 10th day shall be fixed as cut off date. MSEDCL suggests following timeline for STOA applicants:
- (i) STOA applications to be filed by on or before 1st day of preceding month in which STOA is sought.
 - (ii) MSEDCL to scrutinize the application and intimate the deficiency if any by the 7th day of preceding month in which STOA is sought.
 - (iii) STOA applicants to rectify and submit the complete applications by the 10th day of preceding month in which STOA is sought.
- 6.11 MSEDCL has proposed the above alternatives based on the study and difficulties it observed in recent past.

7 This Case was heard by three Member Bench i. e. by Chairperson Shri. Anand B. Kulkarni, Member, Shri. Azeez M. Khan, and Member, Shri. Deepak Lad. However final Order could not be passed in this Case before both the members demitting the Office. Therefore, this Case was heard De novo on 10 June, 2018.

8 At the hearing held on 10 June, 2018, MSEDCL reiterated its submissions in the Petition and also stated that the Commission has already issued an Order dated 4 May, 2018 in Case No. 8 of 2017 on this issue, wherein the Commission has viewed that it would be worth revisiting them in terms of introducing some limitations, or for transition of STOA to MTOA after some consecutive periods. In the same Order, the Commission also stated that it may separately undertake an exercise to examine the issues involved and the alternatives, keeping in view all these considerations. Therefore MSEDCL prays that to undertake the exercise of amendment. Thereafter, public consultation would be required for any amendments to the Regulations. Advocate Ms. Vinita Melvin appeared for Indian Wind Power Association, Tata

Motors and Green Energy Association seeking interventions in this matter and stated that opportunity may be given to them to comment if any amendment is proposed.

Commission's Analysis and Ruling:

The main issues raised by MSEDCL are discussed below.

9 Issue 1 - Transmission / Wheeling Charges, and duration of Open Access

9.1 The Commission vide Order dated 4 May, 2018 in Case No. 8 of 2017 has already elaborately discussed the issue of levy of transmission charges on STOA and held that:

“8.7

However, the Commission recognizes concerns that the present regulatory framework may make it worthwhile for some consumers to avail STOA even if their requirements are consistently for longer periods and who could have taken MTOA or LTOA instead; and that this has some implications for Distribution Licensees. At the same time, the interests of consumers who want access to the full range of choices offered by the Power Exchanges or who may have regular Open Access requirements but not over the whole month have to be considered. In these proceedings, the manner in which a balance could be struck has not emerged.

8.8 Nevertheless, considering the intent and purpose of the provisions for different OA durations, the Commission believes that it would be worth revisiting them in terms of introducing some limitations, or for transition of STOA to MTOA after some consecutive periods. The Commission may separately undertake an exercise to examine the issues involved and the alternatives, keeping in view all these considerations. Thereafter, in any case, public consultation would be required for any amendments to the Regulations. The 'removal of difficulties' provisions of the Regulations are not relevant to such changes, nor can they be made through orders or Practice Directions.”

(Emphasis added)

9.2 In view of the forgoing, as the prayer of MSEDCL on this issue is addressed. The Commission further noted that it may shortly undertake an exercise to examine the issues involved and the alternatives, keeping in view all these considerations. Thereafter, in any case, public consultation would be required for any amendments to the Regulations.

10 Issue 2: Rejection of Open Access Applications for procedural deficiencies, or non-response

10.1 The Practice Directions dated 8 March, 2017 referred to by MSEDCL were issued after receiving several representations on the manner in which MSEDCL was dealing with Open Access applications, and stipulate that

“4. Regulation 10.5 of the DOA Regulations requires the Distribution Licensee to convey its decision on a MTOA Application within 60 days, along with reasons in case it is rejected. The Distribution Licensee shall convey, within the next 15 days, its decision, with reasons for rejection if relevant, on all those Applications which are presently pending for decision or reply beyond the stipulated period. As regards the representation that some MTOA Applications have not been responded to by the Distribution Licensee as stipulated in the Regulations since April, 2016 and considering that such Applications had to be made at least 3 months in advance, the Licensee may be liable for the consequences arising from the delay in deciding or conveying its decision on such Application.

5. Where an Application is made for Transmission or Distribution Open Access to the Nodal Agency, it shall communicate any preliminary or procedural (such as non-submission in the prescribed format, and other such miscellaneous deficiencies) within three working days from its receipt so that the Applicant has time to rectify the deficiency.”

- 10.2 **MSEDCL may consider why these Practice Directions were necessitated in the first place. As will be seen from several Daily and Final Orders even in the recent past, there are issues in the handling of Open Access applications which need to be resolved and which have time and cost implications for consumers seeking Open Access.**
- 10.3 **MSEDCL now has an on-line facility for Open Access Applications as required by the DOA Regulations, 2016. It is known that MSEDCL has a robust IT infrastructure and a competent IT team to handle it. In such an IT-enabled environment, it should be possible for MSEDCL to customize its on-line platform for dealing with all Open Access applications with certain checks and confirmations which enables quick assessment and response. The Commission finds no case for modifying these Directions.**

The Petition of Maharashtra State Electricity Distribution Co. Ltd. in Case No. 98 of 2017 stands disposed of accordingly.

**Sd/-
(Mukesh Khullar)
Member**

**Sd/-
(Anand B. Kulkarni)
Chairperson**


**(Dr. Rajendra Ambekar)
I/c Secretary**

