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### **NOTIFICATION (DRAFT)**

#### ELECTRICITY ACT, 2003

No. MERC/\_\_\_\_/2019/\_\_\_\_\_. In exercise of the powers conferred under Sections 86(3) and 181 of the Electricity Act, 2003 and all other powers enabling it in this behalf, and after previous publication, the Maharashtra Electricity Regulatory Commission makes the following Regulations to amend the Maharashtra Electricity Regulatory Commission (Distribution Open Access) Regulations, 2016 ('the Principal Regulations') namely:

#### 1. Short title and commencement

- 1.1. These Regulations may be called the Maharashtra Electricity Regulatory Commission (Distribution Open Access) (First Amendment) Regulations, 2019.
- 1.2. These Regulations shall come into force from the date of their publication in the *Official Gazette*.

#### 2. Amendment to Regulation 2 of the Principal Regulations:

The following definitions shall be amended in Regulation 2 of the principal Regulations:—

"(4) "Banking" means the surplus Renewable Energy injected in the grid and credited with the Distribution Licensee after set off with consumption in the same Time of Day slot as specified in Regulation 20;"

"(17) "Contract Demand" means the demand in kilovolt ampere ('kVA') or Megavolt ampere ('MVA') as mutually agreed between the Distribution Licensee and the Consumer

- *(i) in the agreement for supply of electricity; or*
- (ii) through other written communication."

"(20) (a) "Gross metering" means a metering arrangement wherein, the entire energy generated by rooftop solar PV system is fed into the electrical grid subject to permissible technical limits as per interconnection standard and the system owner is benefited by way of sale of solar power to the Distribution Licensee at rate approved or adopted by Commission;"

"(22) "Long-term Open Access" or "LTOA" means the right to use the Distribution System for a period exceeding seven years;"

"(24) "Medium-term Open Access" or 'MTOA' means the right to use the Distribution System for a period exceeding three months but not exceeding five years;"

"(39) "Time Block" means a period of fifteen minutes or any such shorter duration as may be notified by Central Commission and State Commission, for which Special Energy Meters record specified electrical parameters and quantities, with the first such period starting at 00:00 hours;"

### 3. Amendment in Regulation 3 of the Principal Regulations:

The existing Regulation 3.2 shall be substituted by the following:

- 3.2 Subject to the provisions of these Regulations, a Consumer having Contract Demand of 1 **MVA** and above with a Distribution Licensee shall be eligible for Open Access for obtaining supply of electricity from one or more
  - a) Generating Plants or Stations, including Captive Generating Plants;
  - b) Trading Licensees
  - c) Power Exchanges
  - *d) Other Distribution Licensees*
  - *e) any other sources,*

or a combination thereof, and all collectively called 'Sources':

Provided that, for the purpose of unit conversion from MVA to MW, the unity power factor shall be considered;

Provided further that Partial Open Access Consumer shall be permitted to avail Open Access for the capacity not exceeding its existing Contract Demand with the Distribution Licensee on the date of application, whereas, Full Open Access Consumer shall be permitted to avail Open Access for capacity not exceeding its sanctioned load; Provided further that a Consumer located in the area of a Distribution Franchisee shall also be eligible for Open Access;

Provided also that a Distribution Franchisee shall not be eligible for Open Access, except in **its** capacity as a Consumer;

Provided also that the Maximum Demand of such Consumer or person in each financial year subsequent to **its** being granted Open Access shall be equal to or greater than seventy (70) percent of the threshold level at which **it** has become eligible for Open Access;

Provided also that, if the Consumer fails to achieve the Maximum Demand in any month, the Distribution Licensee shall be entitled to a penalty equal to two times the wheeling charges for the financial year or part thereof for which he the Consumer failed to achieve such Maximum Demand;

Provided also that, if such Consumer or person has not complied with the above proviso in 3 consecutive months, the Distribution Licensee may initiate the process of reassessment and reinstatement or reduction of Contract Demand.

Provided further that Consumers intending to have Roof-Top Solar Photo Voltaic Systems can simultaneously avail open access under these Regulations; subject to a condition that in such cases, the credit for solar generation shall be adjusted on gross metering basis for such period for which open access is availed by the Consumer.

#### 4. Amendment in Regulation 4 of the Principal Regulations:

The existing Regulation 4.2 shall be substituted by the following:

"The Contract Demand of a Consumer availing LTOA or MTOA shall be governed by the provisions of the Electricity Supply Code and the Regulations of the Commission governing Standards of Performance subject to condition that where a consumer eligible under Regulation 3.1, applies for Long-term or Medium-term or Short-term Open Access to the distribution system of a Distribution Licensee so as to obtain supply from a Generating Company or a Licensee or through Power Exchange, the Distribution Licensee (on whose Distribution System the access is being sought) shall reduce the contract demand of the consumer to the extent of quantum of electricity sought to be transferred through Open Access.: Provided that a Contract Demand in case of Consumer availing STOA shall be restored to its original Contract Demand as prevalent at the time of applying for Open Access upon completion of the tenure of the STOA unless the consumer applies within the specified timelines for extension."

#### 5. Amendment in Regulation 5 of the Principal Regulations:

A. The existing regulation 5.10.4 shall be substituted as under with a new proviso:

"5.10.4. The commercial treatment of such infirm power from a Generating Station or Unit, other than one based on Renewable Energy sources, shall be as specified in the Regulations of the Commission governing **Deviation Settlement Mechanism and the** same shall be applicable from the Effective Date to be notified as per MERC (Deviation Settlement Mechanism and related matters) Regulations, 2019:

Provided that until such notification of Effective Date as per MERC (Deviation Settlement Mechanism and related matters) Regulations, 2019 such charge for testing and tariff for infirm power from a Generating Station, other than one based on Renewable Energy, shall be as specified in the Regulations of the Commission governing Multi-Year Tariff:"

B. The existing proviso of Regulation 5.10.4 shall be amended as under:

"Provided **further** that the power injected into the grid on account of such testing from a Generating Station for which tariff has not been determined by the Commission shall be the lower of the following:"

C. The existing regulation 5.10.5 shall be amended as under:

"5.10.5. Until the notification of the Effective Date as per MERC (Deviation Settlement Mechanism and related matters) Regulations, 2019, before injecting infirm power, the Generating Station shall enter into an Agreement with the Distribution Licensee to supply such power:

Provided that, in case the Generating Station does not have an Agreement for sale of power with any Licensee, there shall be no charge for such infirm power injected into the grid, shall be settled by the Licensee at a rate equivalent to the lowest variable cost of thermal generating station as per Merit Order stack of the concerned distribution licensee for relevant monthly period, and it the injected power shall be credited to the Distribution Licensee to whom the Generating Station is connected." D. A new second proviso shall be added below the existing first proviso of Regulation 5.10.5:

"Provided further that, post the Effective Date as per MERC (Deviation Settlement Mechanism and related matters) Regulations, 2019, the conditions for Infirm Power injection and treatment thereof shall be governed as per Regulations governing Deviation Settlement Mechanism for Maharashtra."

### 6. Amendment in Regulation 7 of the Principal Regulations:

The existing proviso of Regulation 7.2 shall be amended as under:

"7.2. The Open Access shall be categorised on the basis of its duration as follows:

Open Access Category	Duration
Long-term Open Access	Exceeding seven years
Medium-term Open Access	Exceeding three months but not exceeding five years
Short-term Open Access	Not exceeding one month

Provided that, for the period between *five* years and *seven* years, the Applicant may seek MTOA for a maximum period of *one* year at a time."

## 7. Amendment in Regulation 8 of the Principal Regulations:

A. A new proviso shall be added above the existing first proviso to Regulation 8.1 as under:

"Provided that nodal agency shall process the application for STOA and MTOA including application fee only through online mode. Necessary web-portal functionalities for online processing with secured payment gateways shall be established by the Nodal Agency with suitable amendment to the procedures within three months. The software shall necessarily include day or time punching of the complete process and the trails of this process or processing shall also be available in the system."

 B. The existing Regulation 8.10 shall be deleted.
<u>"8.10. The Nodal Agency shall grant Medium term or Short term Open Access if the</u> resultant power flow can be accommodated in the existing Distribution System or the

Distribution System under execution."

C. The existing Regulation 8.11 shall be renumbered as 8.10.

**\*8.10.** The Distribution Licenses shall provide the facility of on-line submission of Applications for Connectivity and Open Access Applications within ninety days from the notification of these Regulations."

### 8. Amendment in Regulation 11 of the Principal Regulations:

D. Two new provisos shall be added to Regulation 11.3 as under:

"Provided that the application for grant of Day-Ahead Open Access shall be made for continuous period of minimum duration of 8 hours or such other duration of number of time-blocks to be stipulated through separate Order from time to time either on Suo-motu basis or on the basis of application moved by affected party.

Provided further that the schedule given against the above day ahead open access sought shall be uniform at least for a period of eight hours and the minimum schedule during the day shall at any time not be less than 75% of the maximum schedule of the day."

## 9. Amendment in Regulation 14 of the Principal Regulations:

A. The existing proviso of Regulation 14.1 (v) shall be amended and three new provisions are added below the same as under:

## "14.1 (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 which shall be passed on to the STU within the stipulated time period as specified under Regulations 14.5;

Provided that in order to discourage repeated roll over of STOA transactions, the applicable STOA charges in case of such repeated STOA transactions of Open Access Consumer(s) shall be increased by a multiplication factor of 1.25, 1.5 and 2.0 respectively for every 2nd, 3rd and 4th STOA transaction during financial year beyond which the charges for STOA shall be fixed at two times of the approved STOA charges;

Provided further that for renewable energy based MTOA and LTOA transactions, the applicable transmission charges shall continue to be on per unit basis, except that the same shall be equivalent to two times the approved STOA charges. Provided further that a Partial Open Access Consumer availing STOA are liable to pay the Transmission Charges irrespective of whether or not the Generator from whom they source power has a BPTA with the STU."

B. The existing Regulation 14.6 (b) shall be modified as under:

### *"14.6 Wheeling Charge:*

b. "Wheeling Charges shall not be applicable in case a Consumer or Generating Station is connected to the Transmission System directly or using dedicated lines owned by the Consumer or Generating Station only if such dedicated lines are used for point to point transmission or wheeling of power from Generating station to load centre without any interconnection with distribution system."

C. A new clause 14.6 (A) shall be inserted as follows:

"14.6 (A) Applicability of Transmission Charges and Wheeling Charges and Transmission Loss and Wheeling Losses for various combination of Open Access Transactions shall be as shown in the following table.

Table for App Wheeling Cl		Rs/kWh Injection	InSTS I(1)	M <sub>(wc)</sub> 33 I <sub>(2)</sub>	M <sub>(wc)</sub> 22 I <sub>(3)</sub>	M <sub>(wc)</sub> 11 I <sub>(4)</sub>	T <sub>(wc)</sub> HT I <sub>(5)</sub>	A <sub>(wc)</sub> HT I <sub>(6)</sub>
Rs/kWh	Drawal		InSTS_Above 33 kV	MSEDCL_33kV	MSEDCL_22kV	MSEDCL_11kV	TPC_HT	AEL_HT
In <sub>(wc)</sub>	<b>D</b> <sub>(1)</sub>	InSTS_Above 33 kV	Nil WC	M <sub>(wc)</sub> 33	M <sub>(wc)</sub> 22	M <sub>(wc)</sub> 11	T <sub>(wc)</sub> HT	A <sub>(wc)</sub> HT
M <sub>(wc)</sub> 33	<b>D</b> <sub>(2)</sub>	MSEDCL_33kV	M <sub>(wc)</sub> 33	M <sub>(wc)</sub> 33	M <sub>(wc)</sub> 22	M <sub>(wc)</sub> 11	$T_{(wc)}HT + M_{(wc)}33$	$\begin{array}{c} A_{(wc)}HT+\\ M_{(wc)}33 \end{array}$
M <sub>(wc)</sub> 22	<b>D</b> <sub>(3)</sub>	MSEDCL_22kV	M <sub>(wc)</sub> 22	M <sub>(wc)</sub> 22	M <sub>(wc)</sub> 22	M <sub>(wc)</sub> 11	$T_{(wc)}HT + M_{(wc)}22$	$\begin{array}{c} A_{(wc)}HT+\\ M_{(wc)}22 \end{array}$
M <sub>(wc)</sub> 11	<b>D</b> <sub>(4)</sub>	MSEDCL_11kV	M <sub>(wc)</sub> 11	M <sub>(wc)</sub> 11	M <sub>(wc)</sub> 11	M <sub>(wc)</sub> 11	$T_{(wc)}HT + M_{(wc)}11$	$\begin{array}{c} A_{(wc)}HT+\\ M_{(wc)}11 \end{array}$
T <sub>(wc)</sub> HT	<b>D</b> <sub>(5)</sub>	TPC_HT	T <sub>(wc)</sub> HT	$\frac{M_{(wc)}33+}{T_{(wc)}HT}$	$\frac{M_{(wc)}22+}{T_{(wc)}HT}$	$\frac{M_{(wc)}11+}{T_{(wc)}HT}$	T <sub>(wc)</sub> HT	$\begin{array}{c} A_{(wc)}HT+\\ T_{(wc)}HT \end{array}$
A <sub>(wc)</sub> HT	<b>D</b> <sub>(6)</sub>	AEL_HT	A <sub>(wc)</sub> HT	M <sub>(wc)</sub> 33+ A <sub>(wc)</sub> HT	$\frac{M_{(wc)}22+}{A_{(wc)}HT}$	M <sub>(wc)</sub> 11+ A <sub>(wc)</sub> HT	$\begin{array}{c} T_{(wc)}HT+\\ A_{(wc)}HT \end{array}$	A <sub>(wc)</sub> HT

Applicable Wheeling Charges\* for Intra-State Open Access Wheeling Transaction:

Where,

Nomenclature	Approved Wheeling Charge (wc)
MSEDCL_33kV	M(wc)33
MSEDCL_22kV	M(wc)22
MSEDCL_11kV	M(wc)11
TPC_HT	T(wc)HT
AEL_HT	A(wc)HT

Note : In addition, to above wheeling charges, Transmission Charges shall be applicable on OA Wheeling transaction if intra-state transmission system is used for the purpose of wheeling of power.

#### Illustration of above table:

Table for W Charg	0	Rs/kWh Injection	InSTS I(1)	M <sub>(we)</sub> 33 I <sub>(2)</sub>	M <sub>(wc)</sub> 22 I <sub>(3)</sub>	M <sub>(wc)</sub> 11 I <sub>(4)</sub>	T <sub>(wc)</sub> HT I <sub>(5)</sub>	A <sub>(wc)</sub> HT I <sub>(6)</sub>
Rs/kWh	Drawal		InSTS_Above 33 kV	MSEDCL_33kV	MSEDCL_22kV	MSEDCL_11kV	TPC_HT	AEL_HT
In <sub>(wc)</sub>	<b>D</b> <sub>(1)</sub>	InSTS_Above 33 kV	-	0.15	0.38	0.78	1.46	0.78
M <sub>(wc)</sub> 33	<b>D</b> <sub>(2)</sub>	MSEDCL_33kV	0.15	0.15	0.38	0.78	1.61	0.93
M <sub>(wc)</sub> 22	<b>D</b> <sub>(3)</sub>	MSEDCL_22kV	0.38	0.38	0.38	0.78	1.84	1.16
M <sub>(wc)</sub> 11	<b>D</b> <sub>(4)</sub>	MSEDCL_11kV	0.78	0.78	0.78	0.78	2.24	1.56
T <sub>(wc)</sub> HT	<b>D</b> (5)	TPC_HT	1.46	1.61	1.84	2.24	1.46	2.24
A <sub>(wc)</sub> HT	<b>D</b> (6)	AEL_HT	0.78	0.93	1.16	1.56	2.24	0.78

Where

Charges*	Approved Wheeling Charge (wc)
MSEDCL_33kV	0.15
MSEDCL_22kV	0.38
MSEDCL_11kV	0.78
TPC_HT (33kV/11kV)	1.46
AEL_HT (33kV)	0.78

### \*Approved Charges as per MTR Orders for FY 2018-19 for illustration purpose

Note : In addition, to above wheeling charges, Transmission Charges shall be applicable on OA Wheeling transaction if intra-state transmission system is used for the purpose of wheeling of power.

### **Applicable Wheeling Losses**

Table for Wheeling Loss		% Loss	InSTS	M <sub>(wl)</sub> 33	M <sub>(wl)</sub> 22	M <sub>(wl)</sub> 11	T <sub>(wl)</sub> HT	A <sub>(wl)</sub> HT
		Injection	<b>I</b> <sub>(1)</sub>	I <sub>(2)</sub>	I <sub>(3)</sub>	I <sub>(4)</sub>	I <sub>(5)</sub>	I <sub>(6)</sub>
% Loss	Drawal		InSTS_Above 33 kV	MSEDCL_33kV	MSEDCL_22kV	MSEDCL_11kV	TPC_HT	AEL_HT
In <sub>(wl)</sub>	<b>D</b> <sub>(1)</sub>	InSTS_Above 33kV	-	M <sub>(wl)</sub> 33	M <sub>(wl)</sub> 22	M <sub>(wl)</sub> 11	T <sub>(wl)</sub> HT	A <sub>(wl)</sub> HT
$M_{(wl)}33$	<b>D</b> <sub>(2)</sub>	MSEDCL_33kV	M <sub>(wl)</sub> 33	M <sub>(wl)</sub> 33	M <sub>(wl)</sub> 22	M <sub>(wl)</sub> 11	$\begin{array}{c} T_{(wl)}HT+\\ M_{(wl)}33 \end{array}$	$\begin{array}{c} A_{(wl)}HT+\\ M_{(wl)}33 \end{array}$
$M_{(wl)}22$	<b>D</b> <sub>(3)</sub>	MSEDCL_22kV	M <sub>(wl)</sub> 22	M <sub>(wl)</sub> 22	M <sub>(wl)</sub> 22	$M_{(wl)}$ 11	$T_{(wl)}HT + M_{(wl)}22$	$\begin{array}{c} A_{(wl)}HT+\\ M_{(wl)}22 \end{array}$
$M_{(wl)}11$	<b>D</b> <sub>(4)</sub>	MSEDCL_11kV	M <sub>(wl)</sub> 11	M <sub>(wl)</sub> 11	M <sub>(wl)</sub> 11	M <sub>(wl)</sub> 11	$\begin{array}{c} T_{(wl)}HT+\\ M_{(wl)}11 \end{array}$	$\begin{array}{c} A_{(wl)}HT+\\ M_{(wl)}11 \end{array}$
T <sub>(wl)</sub> HT	<b>D</b> <sub>(5)</sub>	TPC_HT	T <sub>(wl)</sub> HT	$\begin{array}{c} M_{(wl)}33+\\ T_{(wl)}HT \end{array}$	$\begin{array}{c} M_{(wl)}22+\\ T_{(wl)}HT \end{array}$	$\begin{array}{c} M_{(wl)} 11 + \\ T_{(wl)} HT \end{array}$	T <sub>(wl)</sub> HT	$\begin{array}{c} A_{(wl)}HT+\\ T_{(wl)}HT \end{array}$
A <sub>(wl)</sub> HT	<b>D</b> <sub>(6)</sub>	AEL_HT	A <sub>(wl)</sub> HT	$\begin{array}{c} M_{(wl)}33+\\ A_{(wl)}HT \end{array}$	$\begin{array}{c} M_{(wl)}22+\\ A_{(wl)}HT \end{array}$	$\begin{array}{c} M_{(wl)} 11 + \\ A_{(wl)} HT \end{array}$	$\begin{array}{c} T_{(wl)}HT+\\ A_{(wl)}HT \end{array}$	A <sub>(wl)</sub> HT

Where,

Nomenclature	Approved Wheeling Loss (wl)
MSEDCL_33kV	M(wl)33
MSEDCL_22kV	M(wl)22
MSEDCL_11kV	M(wl)11
TPC_HT	T(wl)HT
AEL_HT	A(wl)HT

Note : In addition, to above wheeling loss, Transmission Loss shall be applicable on OA Wheeling transaction if intra-state transmission system is used for the purpose of wheeling of power.

#### Illustration of above table:

Table for W Loss	0	% Loss	InSTS	M <sub>(wl)</sub> 33	M <sub>(wl)</sub> 22	M <sub>(wl)</sub> 11	T <sub>(wl)</sub> HT	A <sub>(wl)</sub> HT
2000		Injection	$\mathbf{I}_{(1)}$	$\mathbf{I}_{(2)}$	<b>I</b> <sub>(3)</sub>	<b>I</b> <sub>(4)</sub>	<b>I</b> <sub>(5)</sub>	I <sub>(6)</sub>
% Loss	Drawal		InSTS_Above 33 kV	MSEDCL_33kV	MSEDCL_22kV	MSEDCL_11kV	TPC_HT	AEL_HT
In <sub>(wl)</sub>	<b>D</b> <sub>(1)</sub>	InSTS_Above 33 kV	-	6.00%	7.50%	9.00%	0.90%	0.52%
M <sub>(wl)</sub> 33	<b>D</b> <sub>(2)</sub>	MSEDCL_33kV	6.00%	6.00%	7.50%	9.00%	6.90%	6.52%
$M_{(wl)}22$	<b>D</b> <sub>(3)</sub>	MSEDCL_22kV	7.50%	7.50%	7.50%	9.00%	8.40%	8.02%
$M_{(wl)}11$	<b>D</b> <sub>(4)</sub>	MSEDCL_11kV	9.00%	9.00%	9.00%	9.00%	9.90%	9.52%
T <sub>(wl)</sub> HT	<b>D</b> (5)	TPC_HT	0.90%	6.90%	8.40%	9.90%	0.90%	1.42%
A <sub>(wl)</sub> HT	<b>D</b> (6)	AEL_HT	0.52%	6.52%	8.02%	9.52%	1.42%	0.52%

Where,

Nomenclature*	Approved Wheeling Loss (wl)
MSEDCL_33kV	6.00%
MSEDCL_22kV	7.50%
MSEDCL_11kV	9.00%
TPC_HT (33kV/11kV)	0.90%
AEL_HT (33kV)	0.52%

\*Approved Loss level as per MTR Orders for FY 2018-19 for illustration purpose

Note : In addition, to above wheeling loss, Transmission Loss shall be applicable on OA Wheeling transaction if intra-state transmission system is used for the purpose of wheeling of power.

D. A new clause 14.10 shall be inserted as follows:

### "14.10. Priority for adjustment of energy credit:

The priority for adjustment of energy drawl by an open access consumer from different sources shall be as per the following sequence of reducing priority and shall be implemented for each time block, upon adjustment of applicable losses.

- a) Renewable Energy Generators
- b) Captive Generating Plant
- c) Banked Energy
- *d)* Long term Bilateral purchase
- e) Medium term open access
- f) Short term inter-State open access including power exchange transactions
- g) Short term intra State Open access
- h) Distribution Licensee

Provided that in case of energy credit from more than one source from the similar category shall be adjusted on pro-rata basis of the contracted generation capacity from such source."

E. A new clause 14.11 shall be inserted as follows:

### "14.11. Availability of PF Incentive/ PF Penalty:

Entitlement to PF incentives or levy of PF penalty, as the case may be, as specified under Tariff Schedule of the Tariff Order issued from time to time shall be applicable only for the net energy supplied by Distribution Licensee to the Open Access consumer and captive user after adjusting the banked energy and actual open access consumption during the month."

### 10. Amendment in Regulation 16 of the Principal Regulations:

The existing Regulation 16.3 shall be amended as under:

"16.3. Scheduling of renewable Energy generating plants identified as 'non-firm power' under the Commission's Regulations governing Renewable Energy Tariff shall be governed as per provisions of Maharashtra Electricity Regulatory Commission (Forecasting, Scheduling and Deviation Settlement for Solar and Wind Generation) Regulations, 2018."

### 11. Amendment in Regulation 17 of the Principal Regulations:

A new clause 17.9 shall be inserted below the existing Regulation 17.8 and above the existing Regulation 17.9 as follows:

"17.9. 17.9. Generating Stations having multiple generating units wherein one or more units are contracted under captive route, such Generating Company, shall install at their cost, Special Energy Meters, separately for each generating unit, within six months from the notification of these Regulations, in accordance with requirements stipulated by the Nodal Agency and/or MSLDC.

Provided that the installed Special Energy Meters shall be available for inspection by the Distribution Licensee or the MSLDC at any time:

Provided further that such Generating Stations connected to Transmission or Distribution System, as the case may be, shall bear the cost of communication arrangements, for its integration into Control Centre as per the technical specifications stipulated by the Distribution Licensee and/or MSLDC"

### 12. Amendment in Regulation 18 of the Principal Regulations:

The existing proviso of Regulation 18.1.2 shall be amended as under:

### "18.1.2 Intra-State transmission losses:

Provided that the energy settlement shall be based on the **approved** loss in the Intra-State Transmission System."

#### 13. Amendment in Regulation 19 of the Principal Regulations:

A. The existing proviso of Regulation 19.1 shall be amended as under:

"Provided that, until the notification of the Effective Date as per MERC (Deviation Settlement Mechanism and related matters) Regulations, 2019, the provisions regarding energy balancing and settlement contained in the Final Balancing and Settlement Mechanism or other such mechanism as may be stipulated by the Commission shall be applicable in the case of Open Access Consumers, Generating Stations and Licensees who are participants of the State Pool."

B. A new proviso shall be added to Regulation 19.1 below the above proposed amendment as under:

"Provided further that, post the Effective Date as per MERC (Deviation Settlement Mechanism and related matters) Regulations, 2019, the conditions for Deviation Accounting and settlement of deviations thereof shall be governed as per Regulations governing Deviation Settlement Mechanism for Maharashtra."

C. The heading of existing Regulation 19.2 shall be amended as under:

"19.2. Settlement of Energy at Drawal Point in respect of **Partial** Open Access Consumer, or Trading Licensee on behalf of **Partial** Open Access Consumer:"

D. The existing Regulation 19.2.1 shall be amended as under:

### "19.2.1. Over-drawal:

Over-drawal by **a Partial** Open Access Consumer shall be settled at the higher of the following:

(i) the System Marginal Price ('SMP') plus other incidental charges (Net Unscheduled Interchange ('UI') charges, additional UI charges) or any other **Charges for Deviation as per Deviation** settlement **mechanism** as identified under the mechanism operating in Maharashtra from time to time or,

E. The existing Regulation 19.2.2 shall be amended as under:

### "19.2.2. Under-drawal:

In the event of under-drawal, the **Partial** Open Access Consumer shall not be paid any charges by the Distribution Licensee: "

F. The existing Regulation 19.3.1 (a) and 19.3.1 (b) shall be amended as under:

### "19.3.1. Over-injection:

a) In case injection exceeding that scheduled by the Generating Company results in benefit to the grid, such over injection shall be settled either at the **Charge for Deviation** applicable under the **Deviation Settlement Mechanism** or the SMP plus other incidental charges (Net UI charges, additional UI charges) or any other intra-State ABT settlement charges under the mechanism operating in Maharashtra, or at the weighted average cost of long-term power purchase sources including meeting Renewable Purchase Obligation, excluding liquid fuel-based generation, of the Distribution Licensee, whichever is lower.

b) If such over-injection is detrimental to the grid, the Open Access Generating Company shall pay to the State Pool either the **Charges for Deviation** applicable under **Deviation Settlement Mechanism** or the SMP plus other Incidental charges (Net UI charges, additional UI charges), or any other intra-State ABT settlement charges under the mechanism operating in Maharashtra, whichever is higher:"

G. The existing Regulation 19.3.2 shall be amended as under:

### "19.3.2. Under-injection:

Any injection below that schedule by the Open Access Generating Company shall be met from the grid and will be paid for by that entity to the Distribution Licensee at the **Charges for Deviation** applicable under **Deviation Settlement Mechanism** or the SMP plus other Incidental charges (Net UI charges, additional UI charges) or any other intra-State ABT settlement charges stipulated under the mechanism operating in Maharashtra, whichever is higher; and also any congestion charge stipulated by RLDC and/or MSLDC as payable to the Distribution Licensee to fulfil the obligations of the Open Access Generating Station:

Provided that the distribution loss shall not be loaded on any Generating Station if it is connected directly to the intra-State Transmission System;

Provided further that, if the under-injection persists for a continuous period of two days, the MSLDC shall give notice to the Generating Station to revise its schedule;

Provided also that, if the Generating Station fails to inject according to the Open Access schedule and does not immediately revise its schedule, it shall be liable to a penalty equivalent to two times the SMP plus other incidental charges (Net UI charges, additional UI charges) or any other intra-State **Deviation settlement** charges stipulated under the intra-State **Deviation Settlement Mechanism** operating in Maharashtra; notwithstanding which it shall be liable to pay the Open Access charges for the full reserved capacity for the entire period."

H. The existing Regulation 19.3.3 shall be amended as under:

"19.3.3. In the event that a Generating Station in Maharashtra is declared as a State Pool Participant **as per the Deviation Settlement Mechanism**, the following would be applicable:

a) Any generation up to 105% of the declared capacity in any time block of 15 minutes and averaging up to 101% of the declared capacity over a day shall not be construed as gaming, and the Generating Station shall be entitled to UI charges identified as the SMP plus other incidental charges (Net UI charges, additional UI charges) or any other Charges for Deviation stipulated under the Deviation

Settlement Mechanism operating in Maharashtra or the lowest variable cost of generation, whichever is lower, for such excess generation above the declared capacity of Scheduled Generation;"

### 14. Amendment in Regulation 20 of the Principal Regulations:

A. The existing Regulation 20.1 shall be amended and a new proviso is added as under:

"20.1. Regulation 19.3 shall not be applicable in case an Open Access Consumer obtains supply from a Renewable Energy Generating Station identified as 'non-firm power' (viz. Wind, Solar and Hybrid RE comprising Wind and Solar) by the Commission in its Regulations governing the Tariff for Renewable Energy.

Provided that the settlement of deviation at the injection point in case of non-firm power (Wind, Solar and Hybrid RE comprising Wind and Solar) shall be governed as per provisions specified under Maharashtra Electricity Regulatory Commission (Forecasting, Scheduling and Deviation Settlement for Solar and Wind Generation) Regulations, 2018."

B. The existing Regulation 20.2 shall be amended as under:

"20.2. The surplus energy from a 'non-firm' Renewable Energy Generating Station after set-off shall be banked with the Distribution Licensee subject to conditions stipulated under subsequent paragraphs."

C. The existing Regulation 20.3 shall be deleted:

"20.3. The banking year shall be the financial year from April to March."

D. The existing Regulation 20.4 shall be renumbered as 20.3 and amended as under:

"20.3. Banking of energy shall be permitted only on monthly basis.

Provided that the credit for banked energy shall not be permitted to be carried forward to subsequent months and the credit for energy banked during the month shall be adjusted during the same month as per the energy injected ..."

- E. The existing Regulation 20.5 shall be renumbered as 20.4.
- F. The existing Regulation 20.6 shall be renumbered as 20.5, amended and a new proviso is added above the existing proviso as under:

"20.5. The unutilised banked energy at the end of the month, limited to 10% of the actual total generation by such Renewable Energy generator in such month, shall be considered as deemed purchase by the Distribution Licensee at a rate equivalent to

the minimum of Tariff Rate discovered under bidding process for procurement of renewable energy based on respective RE technology, carried out in the State in previous year, or Average Power Purchase Cost of the concerned distribution licensee, whichever is lower.

Provided that in case no bidding has been carried out in last one year for procurement of energy based on respective RE technology, the rate discovered under the latest bid process for any RE technology carried out in the State in the past shall be considered:

Provided that the entire unutilized banked energy injected into distribution grid shall be counted towards the Renewable Purchase Obligation of the Distribution Licensee, and the Generating Station would **not** be entitled to Renewable Energy Certificates to that extent.

### 16. Amendment in Regulation 31 of the Principal Regulations:

The existing Regulation 31.1 shall be amended and a new proviso is added above the existing proviso as under:

*"31.1. The STU shall constitute and be the Convener of an Open Access Monitoring and Review Committee comprising following members:* 

- a) one member from the STU
- b) one member from the MSLDC
- c) one member from the State-owned Distribution Licensee
- *d)* one member from the Privately-owned Distribution Licensee
- e) a person nominated by the Commission from among its officers and

Provided that the Committee shall monitor the progress of Open Access and shall meet at least once in 6 months and shall submit half-yearly report of its proceedings;

Provided further that the Committee shall be responsible for assessing and recommending remedial measures for issues that may arise during the course of implementation of provisions of these Regulations and the rules and procedures developed under the provisions of these Regulations;

Provided that the Committee constituted under the previous Regulations shall continue until such time as the Committee under these Regulations is constituted."

### 17. Amendment in Regulation 38 of the Principal Regulations:

The first and second provisos of existing Regulation 38.3 shall be amended as under:

"Provided that the provisions of these regulation, as amended from time to time relating to Banking under Regulation 20, the definition of Billing Demand, change in injection or drawal point under Regulation 26 and revision in Contract Demand under Regulation 4.2 with amendments thereof shall be applicable to existing Open Access Agreements or contracts;

Provided further that a Consumer, Generating Station or Licensee who has applied for Open Access to the Distribution System in Maharashtra under the repealed Regulations and whose Application is under process on the date of coming into force of these Regulations or its amendments, need not reapply, and such Applications will be processed under the provisions of these Regulations or under the amended provisions of these Regulations respectively."

Date: XX March, 2019 Place: Mumbai Secretary

Maharashtra Electricity Regulatory Commission