

Before the
MAHARASHTRA ELECTRICITY REGULATORY COMMISSION
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Case No. 8 of 2017

Date: 23 February, 2017

CORAM: Shri. Azeez M. Khan, Member
Shri. Deepak Lad, Member

Petition of Maharashtra State Electricity Distribution Co. Ltd. for directions under the MERC (Distribution Open Access) Regulations 2016.

Maharashtra State Electricity Distribution Co. Ltd. (MSEDCL) Petitioner

Maharashtra State Load Despatch Centre (MSLDC)
Maharashtra State Electricity Transmission Co. Ltd (MSETCL)
Tata Power Co. Ltd. - Distribution (TPC-D)
Reliance Infrastructure Limited (RInfra-D) Impleaded Respondents

Present During the hearing

For the Petitioner : Smt. Deepa Chawan, Counsel, MSEDCL
Shri Ashish Singh, (Adv), MSEDCL
Shri B Y Khandait, (Rep), MSEDCL

For the Respondent : Shri E.T. Dhengle, (Rep), MSLDC
Shri A. V. Shinde, (Rep), MSETCL
Smt. Deepa Chawan, Counsel, TPC-D
Shri Ghanasham Thakkar, (Rep), Rinfra-D

Authorised Consumer Representative : Dr. Ashok Pendse, (TBIA)

Daily Order

Heard the Advocates / Representatives of Petitioner, Respondents and Authorized Consumer Representative.

1. MSEDCL Counsel re-iterated the submissions as stated in the Petition, and drew attention to the following issues while implementing the Distribution Open Access (DOA) Regulations, 2016:
 - i. Recovery of Transmission charges by the Distribution Licensee for partial Open Access as per DOA Regulations, 2016.
 - ii. Day Ahead Open Access.
 - iii. Lack of any framework or direction for deviations between contract demand and actual drawal by the Short Term Open Access (STOA) consumers sourcing power through Power Exchanges.
 - iv. Banking of RE Generation.
 - v. Eligibility to seek Open Access.
 - vi. Irregularities by Traders.
 - vii. Remote Terminal Units (RTU) and Data Concentrator (DC) that ought to be required for partial OA consumers.

2. On these issues, MSEDCL Counsel stated that:
 - a. Open Access consumers are availing STOA instead of Medium Term Open Access (MTOA) because of the differential Transmission Charges. If a consumer seeks Open Access monthly for a continuous period of three months instead of MTOA for three months, he ends up paying less.
 - b. Even where consumers have long term power procurement contracts with Generators, they are seeking monthly STOA. The Commission observed that they are doing so by taking the risk of not getting the power scheduled owing to the lowest priority of STOA in scheduling.
 - c. In Day Ahead Open Access, the outcome of the bidding at Power Exchanges is not made known to the Distribution Licensee, which affects the load management of MSEDCL. This affects it badly if a major source of power is from Power Exchanges.
 - d. Traders are working as facilitators/ consultants and signing 'Power Supply Facilitation Agreements' with the consumers. MSEDCL has approached CERC in this regard.
 - e. The purchase of banked energy to the extent of 10% provided in the Regulations may be counted for the Renewable Purchase Obligation (RPO) of the Distribution Licensee.

3. Representative of RInfra-D supported the issues raised by MSEDCL except in respect of RTU and DC. The Open Access consumers are taking advantage of the differential Transmission Charges between STOA and MTOA. He stated that the STOA and MTOA charges may be brought on par. Open Access Consumers sourcing power from Power Exchanges may be required to purchase power Round the Clock (RTC). The Commission may also allow the 10% purchased surplus energy to meet its RPO.

4. Smt. Deepa Chawan, Counsel stated that , while she is representing the Petitioner (MSEDCL) in this Case, TPC-D is also supporting MSEDCL's Petition and there is no conflict of interest, and hence she is also representing TPC-D in the matter.
5. Counsel of TPC-D stated that it supports MSEDCL's issues, except with regard to irregularities by Traders, and RTU and DC. Representative of TPC-D stated that the STOA transactions are small in quantum as of now but it may increase over time, which may create difficulties in planning the power procurement of the Distribution Licensees. Hence the contract demand of the STOA applicants may be treated as deemed reduced the extent of the Open Access quantum. She further stated that purchase of the 10% of surplus energy is mandatory for Licensee, and may be allowed to meet the RPO of the Distribution Licensee.
6. Dr. Ashok Pendse, for Thane - Belapur Industries Association (TBIA, an Authorised Consumer Representative) stated that the Distribution Licensees have come together to raise these issues on the Open Access Regulations, 2016. The Open Access consumers who would be affected should also be given the opportunity to be heard if the Commission is inclined to allow such changes. He further stated that there is an Open Access Monitoring and Review Committee under the DOA Regulations to discuss difficulties, but it has not met in last six months. Instead of discussing these issues in the Committee, MSEDCL has approached the Commission directly through this Petition.

The Case is reserved for Order.

**Sd/-
(Deepak Lad)
Member**

**Sd/-
(Azeez M. Khan)
Member**