

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Petition No. 124/MP/2013

Subject : Petition under Regulation 63 (1) and 64 of the Central Electricity Regulatory Commission (Power Market) Regulations, 2010 for making changes in the CERC (Open access) Regulations pertaining to NLDC operating charges.

Date of Hearing : 2.7.2013

Coram : Shri V.S.Verma, Member
Shri M.Deena Dayalan, Member

Petitioner : Power Exchange India Limited, Mumbai

Parties present : Shri V.V.Sharma, PXIL
Shri Akshay Dewan, PXIL

Record of Proceedings

The representative of the petitioner submitted as under:

(a) The present petition has been filed for making suitable provisions in seeking amendments in the Central Electricity Regulatory Commission (Open Access) Regulations, 2010 (Open Access Regulations) pertaining to NLDC operating charges and for introduction of a reasonable methodology for sharing the NLDC operating charges instead of present procedure.

(b) As per the Regulation 6 of the Open Access Regulations, a short-term customer or power exchanges intending to avail of short-term open access are required to make an application to nodal agency in accordance with these regulations. As per Regulation 7 of the Open Access Regulations, an application made for each bilateral transaction or the collective transaction shall be accompanied by a non-refundable fee of ₹ 5000.

(c) The Open Access Regulations specify a flat charge of ₹ 5000/- per regional entity to be paid by Power Exchange to National Load Despatch Centre (NLDC) for Collective Transactions. As NLDC is the nodal agency for collective transactions, the charges have been defined at level of Regional entities. In case of embedded consumers, for which NOC is issued by respective SLDCs, they are

clubbed together for a State and deemed to be as one regional entity for sell and one regional entity for buy, respectively. These are regulatory charges and are to be borne by the participants in which Exchange works as the collecting agency for these charges. For the purpose of socialization, charges are to be equally distributed amongst all participants on the day. The utilities (deemed regional entities) need to get clubbed with the smaller open access consumers.

(d) The present methodology favors Exchange with larger participant base and makes it difficult for smaller exchange to attract new clientele.

(e) PXIL proposes following two methodologies for collecting NLDC operating charges, namely:

(i) Participants can be charged on a per unit basis of the volume transacted where per unit rate can be decided by the NLDC so that the total realization from this method remains same in comparison to the current method; and

(ii) NLDC can fix a revenue neutral 'per participant charge' irrespective of size and quantum of the volume transacted by such a participant.

2. The Commission observed that any decision with regard to the modification of the provisions for sharing the NLDC operating charges should be taken after hearing the Indian Energy Exchange and POSOCO.

3. The Commission directed to admit the petition. The Commission further directed the petitioner to implead the Indian Energy Exchange and POSOCO as respondents to the petition and file revised memo of parties.

4. Accordingly, copy of the petition shall be served by the petitioner on the respondents by 12.7.2013 and the respondents shall file their responses by 26.7.2013 and the petitioner its rejoinder, if any, by 9.8.2013.

5. The petition shall be listed for hearing on 20.8.2013

By order of the Commission,

SD/-
(T. Rout)
Joint Chief (Law)