

**CENTRAL ELECTRICITY REGULATORY COMMISSION  
NEW DELHI**

**Petition No. 246/MP/2015**

- Subject : Petition seeking directions to prescribe an appropriate and reasonable methodology for allocation of the Operating Charges under Regulation 17 of the Central Electricity Regulatory Commission (Open Access in inter-State Transmission) Regulations, 2008, as amended from time to time, to be paid by Power Exchange(s) to National Load Despatch Centre for collective transactions, ensuring that a participant pays the same amount of Operating Charges irrespective of Power Exchange the participant is trading on.
- Date of hearing : 3.12.2015
- Coram : Shri Gireesh B. Pradhan, Chairperson  
Shri A.K. Singhal, Member  
Shri A.S. Bakshi, Member  
Shri Dr. M.K. Iyer, Member
- Petitioner : Power Exchange India Limited
- Parties present : Shri M.G. Raoot, PXIL  
Shri Pawan Agrawal, PXIL  
Shri Kepil Dev, PXIL  
Ms Abilia Zaidi, POSOCO  
Ms. Shruti Bhatia, IEX

**Record of Proceedings**

The representative of the petitioner submitted as under:

- (a) The present petition has been filed to prescribe an appropriate and reasonable methodology for allocation of “Operating Charges” under Regulation 17 of the Central Electricity Regulatory Commission (Open Access in inter-State Transmission) Regulations, 2008 (“Open Access Regulations”), to be paid by the Power Exchange India Limited to NLDC for collective transaction.
- (b) The “Operating Charges” are regulatory charges, which are to be borne by the open access customers and the Power Exchange works as the collecting agency for such charges and pays to the NLDC. The ‘Open Access Regulations’ does not specify the methodology for socializing the operating charges among

the open access customers. In the absence of methodology, operating charges were being socialized by dividing such charges equally amongst all successful participants on the day.

(c) The petitioner filed Petition No. 124/MP/2013 for prescribing a methodology for allocation of the operating charges among the open access customers doing transactions on the Power Exchange. The Commission vide order dated 1.1.2014, directed the staff of the Commission to undertake historical data analysis of operating charges and submit a proposal for amendment of Regulation 17 of the Open Access Regulations for consideration of the Commission.

(d) On 3.7.2014, draft amendment to the Central Electricity Regulatory Commission (Open Access in inter-State Transmission) Regulations, 2008 were issued. In the Explanatory Memorandum accompanying the draft amendment, four options were discussed and in accordance with the fourth option, the Commission proposed levying of operating charges to be open access charges on the basis of the energy scheduled (MWh) at regional periphery by NLDC for Power Exchange transactions.

(e) However, when the amendments were issued, the flat rate of operating charges were continued, albeit with a lower rate of operating charges, instead of converting the operating charge to Rs./MWh. The petitioner has approached the Commission by way of the present petition because difficulty of the petitioner regarding a reasonable methodology for allocation of NLDC operating charges remains unresolved.

(f) The representative of the petitioner requested to specify reasonable and appropriate methodology for allocation of NLDC operating charges under Regulation 17 of the Open Access Regulations ensuring that the participants pay the same amount of operating charges irrespective of the Power Exchange.

2. The representative of Indian Energy Exchange Limited (IEX) requested the Commission to direct the petitioner to implead IEX as party to the petition.

3. After hearing the representative of the petitioner, the Commission directed the staff of the Commission to examine the issue in detail and submit a report in this regard for consideration of the Commission within two months.

4. The Commission directed the petitioner to serve a copy of the petition on the IEX who would file its reply by 31.12.2015 with an advance copy to the petitioner, who may file its rejoinder, if any, by 15.1.2016.

5. The Commission directed that the decision to list the matter for further hearing would be taken after considering the report of the staff and reply of IEX.

**By order of the Commission**

**Sd/-  
(T. Rout)  
Chief (Law)**