

CERC Draft Tariff Regulation

KERALA STATE ELECTRICITY BOARD LIMITED

Response

1-2-2019

Three part tariff structure

Three Part tariff Structure **for Generation** may be re-considered.

- Burden of DISCOMS for high fixed charges for no or less schedule.

Prompts DISCOMs make long term PPAs.

Flexibility in Scheduling low cost power

Ultimate benefit to consumer

Regulation 34: Norms for Naptha fuel stations

Naptha very costly and Naptha stations not often scheduled

- As they do not come under merit order

But DISCOMS pay huge interest for the working capital

- **NORMS ARE FIXED ONLY FOR NORMATIVE AVAILABILITY**
- Annual Fixed Cost BECOMES high

Huge burden for consumers with no benefit

Suggested norms for Naphtha stations (Reg:34)

- **Stock of fuel** : Working Capital for **actual stock** maintained
- Cost of fuel for generation : Nil
 - Buyer shall provide adequate time for procuring fuel in case scheduling is requested. Interest cost during such unusual period may be passed through on actuals.
- **Receivables** equivalent to 45 days considering **capacity charge** alone
- **Maintenance spares** and **O&M** as per proposed norms.

Alternatively,

- **IWC** may not be included under AFC for naphtha plants
- **may be allowed separately** based on actual scheduling.

O&M:

- Dependent on the number of hours of **actual operation**
- O&M charges may be reviewed based **on actual requirement**

Reg 52: Use of alternate fuel

Ceiling limits fixed for alternate fuel may be limited (10%)

Intimate DISCOMs in advance to avoid merit order scheduling

Alternate fuel arranged via MOU Route,

- the price be limited to that of CIL.

Reg 59: Operational norms

Plant Availability Factor

- Draft Regulation requirement (83% quarterly)
- Lower than actual PAF achieved in the last 3 years.
- 85% PAF norm may be maintained.

Plant Load Factor

- Present norm is 85% **including outages** and annual maintenance
- The norm may be increased to at least **87% If outages etc are excluded.**

Form-15 : Details

Closing stock and opening coal stock required.

Source(mine/CIL subsidiary) wise details of coal

Coal grade to be furnished for coal from multiple sources.

Split up of transportation cost of fuel.

Thank You