



**RP - Sanjiv Goenka
Group**

Growing Legacies

NPCL
NOIDA POWER COMPANY LIMITED

P-77 L (II)/029

05.09.2019

**The Secretary
Central Electricity Regulatory Commission
3rd & 4th Floor, Chanderlok Building,
36, Janpath,
New Delhi - 110 001**

**Sub: Comments/ Suggestions on Draft Central Electricity Regulatory
Commission (Open Access in inter-State Transmission) (Sixth
Amendment) Regulations, 2019**

Dear Sir,

The Hon'ble Commission has invited objection/ comments/ suggestions on the Draft Central Electricity Regulatory Commission (Open Access in inter-State Transmission) (Sixth Amendment) Regulations, 2019.

In this regard, Company hereby submits its suggestion on the RLDC / SLDC Operating Charges and Application Fees annexed as **Annexure-1**.

Thanking You,

Yours Faithfully,

For **Noida Power Company Limited**

(Manoj Jain)

Chief Financial Officer

Encl: As above

NOIDA POWER COMPANY LIMITED

(An ISO 9001:2008, OHSAS 18001:2007 & ISO 27001:2013 Certified Company)

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Annexure-1

Comments on Central Electricity Regulatory Commission (Open Access in inter-State Transmission) (Sixth Amendment) Regulations, 2019

RLDC / SLDC Operating Charges and Application Fees

- 1) As per prevalent regulations, the following charges are levied on an intra-day contract on IEX apart from PoC Charges & losses & State Transmission Charges & losses:
 - RLDC Operating Charges: Rs. 1,000/- per RLDC
 - SLDC Operating Charges: Rs. 1,000/- per SLDC
 - RLDC Application Fee: Rs. 5,000/-
 - SLDC Application Fee: Rs. 5,000/-
- 2) Accordingly, for a State embedded entity like NPCL, the applicable - transmission charges incurred would be Rs. 12,000/ per application. Considering a case that NPCL has purchased 10 MW power in an half hour slot @ Rs. 3.00/kWh at Regional Periphery, the landed cost at NPCL for such purchase would work out as follows:

S.No.	Particulars	Reference	Rs.
1	No. of Units at NR	$A = 10 \times 0.5 \times 1000$	5000
2	No. of Units at NPCL	$B = A * (1 - 2.12\%) * (1 - 3.60\%)$	4718
3	Cost at NR @ Rs. 3.0/kWh	$C = A * 3$	15000
4	UP State Transmission Charges	$D = 0.1905 * A$	953
5	PoC Withdrawal Charges	$E = 0.2975 * A$	1487
6	Total	$F = D + E$	2440
7	NRLDC Operating Charges	G	1000
8	UPSLDC Operating Charges	H	1000
9	NRLDC Application Fee	I	5000
10	UPSLDC Application Fee	J	5000
11	Total	$K = G + H + I + J$	12000
12	Grand Total	$L = C + F + K$	29440
13	Landed rate at NPCL (Rs./kWh)	$M = L / B$	6.24

- 3) From the above table, Hon'ble Commission may kindly observe that the component of operating charges and application fees is around 41% of the total cost due to which though the IEX discovered rate is Rs. 3.0/kWh, the final landed cost at NPCL comes out to Rs. 6.24/kWh which is abnormally high. Therefore, the above charges should be revised to reduce the impact of charges at a reasonable limit.

- 4) The above problem further aggravate when the cleared quantum on IEX gets divided into two or more generators. In such a case for each generator separate application is processed which results into additional cost for procurer for each generator.
- 5) In view of the above, it is proposed that RLDC & SLDC Operating Charges may be capped at Rs. 200/- per application, same as followed by IEX in Day-ahead transactions where NLDC Scheduling & Operating Charges are capped at Rs. 200/- per application.

Further, it is also proposed that RLDC and SLDC Application Fee should also be made equivalent to Operating Charges.

Thus, we propose to cap the operating charges and application fees for RLDC and SLDC in the following manner

(In Rs.)

S.No.	Description	Existing*	Proposed*
1	NRLDC Operating Charges	1000	200
2	UPSLDC Operating Charges	1000	200
3	NRLDC Application Fee	5000	200
4	UPSLDC Application Fee	5000	200

*Per application