

**CENTRAL ELECTRICITY REGULATORY COMMISSION**

**NEW DELHI**

**NOTIFICATION (DRAFT)**

**Dated: 3rd July, 2014**

**No.L-7/105(121)/2007-CERC:** In exercise of the powers conferred under section 178 of the Electricity Act, 2003 and all other powers enabling in this behalf, and after previous publication, the Central Electricity Regulatory Commission hereby makes the following regulations to amend Central Electricity Regulatory Commission (Open Access in inter-State Transmission) Regulations, 2008, (hereinafter referred to as “the Principal Regulations”), namely:-

**1. Short title and commencement:** (1) These regulations may be called the Central Electricity Regulatory Commission (Open Access in inter-State Transmission) (Third Amendment) Regulations, 2014.

(2) These regulations shall come into effect from the date of their publication in the Official Gazette.

**2. Amendment of Regulation 2 of the Principal Regulations:**

(a) A new sub-clause shall be added after sub-clause (j) under clause (1) of Regulation 2 of the Principal Regulations as under:-

"(j-a) National Load Despatch Centre Operating Charges (NLDC operating charges) or Regional Load Despatch Centre Operating Charges (RLDC operating charges) shall include the fees for scheduling, system operation, collection and disbursement of charges in respect of short term open access transactions for inter-State transmission of electricity;

Provided that the operating charges collected by the nodal agency shall be in addition to the fees and charges specified by the Commission under sub-section(4) of Section 28 of the Act."

(b) A new sub-clause shall be added after sub-clause (o) under clause (1) of Regulation 2 of the Principal Regulations as under:-

"(o-a) State Load Despatch Centre Operating Charges (SLDC operating charges) shall include the fees for scheduling, system operation, collection and disbursement of charges in respect of short term open access transactions for inter-State transmission of electricity.

Provided that the operating charges collected by the State Load Despatch Centre for short term open access transactions shall be in addition to fees and charges, specified by the respective State Commission under sub-section (3) of Section 32 of the Act.

Provided further that the SLDC operating charges as may be decided by the Commission in accordance with this regulation shall be applicable to the inter-State short term customers only if the operating charges have not been notified by the respective State Commission."

**3. Amendment of Regulation 8 of the Principal Regulations:**

(1) Second and third provisos to sub-clause (a) of clause (3) of Regulation 8 of the Principal Regulations shall be substituted as under, namely:-

"Provided further that while making application to the SLDC for obtaining concurrence for bilateral transactions (except for intra-day transaction/contingency transactions), an affidavit in the format prescribed in the Detailed Procedure, duly notarized, shall be submitted, along with the application, declaring that:

(i) There is a valid contract with the concerned persons for the sale or purchase, as the case may be, of power under the proposed transaction for which concurrence is applied for, and;

(ii) There is no other contract for sale or purchase, as the case may be, of the same power as mentioned in (i) above.

Provided further that while making application to the SLDC for obtaining no objection or prior standing clearance in case of collective transactions, the affidavit shall also include

the declaration that there is no other contract for sale or purchase, as the case may be, of the same power for which no objection or prior standing clearance is applied for."

(2) In sub-clause (4) of clause 3 of Central Electricity Regulatory Commission (Open Access in inter-State Transmission) (Second Amendment) Regulations, 2013, the words "b (iii)" shall be substituted by "b (ii)".

**4. Amendment of Regulation 17 of the Principal Regulations:** Regulation 17 of the Principal Regulations shall be substituted as under:-

"17. (1) In case of a bilateral transaction, RLDC operating charges shall be payable by the applicant on the basis of energy scheduled (MWh) at the regional periphery for each of the Regional Load Despatch Centre(s) involved and SLDC operating charges shall be payable by the applicant on the basis of energy scheduled (MWh) at the state periphery for each of the State Load Despatch Centre involved in the transaction.

(2) In case of collective transaction, NLDC operating charges shall be payable by each of the successful buyers and sellers on the basis of its energy scheduled (MWh) regional periphery by NLDC for transactions in the respective power exchange. The NLDC operating charges collected by the power exchanges shall be transferred to NLDC on a daily basis. The SLDC operating charges shall be payable by each of the successful buyers and sellers on the basis of its energy scheduled (MWh) at the state periphery for the respective SLDC.

Provided that for levy of SLDC operating charges and intra-State transmission charges, each point of injection or drawal in the State network shall be counted separately.

(3) The rate of NLDC, RLDC and SLDC operating charges in ₹/MWh for bilateral transaction as well as collective transaction shall be notified by the Commission separately through order from time to time.

(4) NLDC/RLDC operating charges and SLDC operating charges payable by the short term customers for bilateral transaction and payable by each of the successful buyer and

seller in case of collective transaction, for each day, shall be capped to a maximum ceiling by the Commission through an order from time to time.

(5) The RLDC operating charges and SLDC operating charges shall be calculated in the manner as given in the Annexure."

(Shubha Sarma)  
Secretary

Note:

1. The Principal Regulations were notified on 7.2.2008 in the Gazette of India Extraordinary Part-III, Section 4, Sr. No. 10.
2. The Principal Regulations were amended vide
  - (i) Central Electricity Regulatory Commission (Open Access in inter-State Transmission)(Amendment) Regulations, 2009 notified on 29.5.2009 in Part III, Section 4, Sr. No.10 of the Gazette of India Extraordinary.
  - (ii) Corrigendum notified on 10.6.2009 in Gazette of India Extraordinary Part-III, Section 4, Ser. No. 10.
  - (iii) Central Electricity Regulatory Commission (Open Access in inter-State Transmission) (Second Amendment) Regulations, 2013, notified on 11.9.2013 in the Gazette of India Extraordinary Part-III, Section4, Sr. No. 237.

**Illustration of calculation of operating charges**

Assume that

- (i) The rate for calculation of NLDC, RLDC & SLDC operating charge is ₹1.80/MWh;
- (ii) The PoC loss for calculation of net energy scheduled by any state is 5%. (In reality, the PoC losses are state specific and therefore it may be different for different states)

**(a) Operating charges payable for bilateral transaction**

- i. Illustration 1: A bilateral transaction of 50 MW for Round the Clock (RTC) supply of power for 7 days is scheduled to flow from Northern region to Southern region via Western region.

<b>Particulars</b>	<b>Calculation</b>
Energy Scheduled per day	= 50x24 MWh = 1200 MWh
<b>RLDC Charges</b>	
RLDC operating charge/day payable @ ₹1.80/MWh by the applicant for each RLDC	= ₹1.80x1200 = ₹2160 (₹2000 payable per RLDC per day owing to the imposed cap)
RLDC operating charge/day payable to the nodal agency (In this case nodal agency(SRLDC) collects operating charges for all three Regional Load Dispatch Centres - NRLDC,WRLDC and SRLDC and hence a multiplicative factor of 3 has been used)	= ₹2000 x 3 = ₹6000
RLDC operating charge payable for 7 days (assuming scheduled energy to be same for all days)	= ₹6000x7 = ₹42000 (₹14000 per RLDC for 7 days)

Particulars	Calculation
SLDC Charges	
SLDC operating charge/day payable to each SLDC involved	$= ₹1.80 \times 1200 \times 95\%$ $= ₹2052$ (₹2000 payable to each SLDC per day owing to the imposed cap)
SLDC operating charge payable to each SLDC involved for 7 days (assuming scheduled energy to be same for all days)	$= ₹2000 \times 7$ $= ₹14000$

- ii. Illustration 2: A bilateral transaction of 50 MW for 4 hours (Peak hours) for 7 days is scheduled to flow from Northern region to Southern region via Western region.

Particulars	Calculation
Scheduled energy per day	$= 50 \times 4 \text{ MWh}$ $= 200 \text{ MWh}$
RLDC Charges	
RLDC operating charge/day payable @ ₹1.80/MWh by the applicant for each RLDC	$= ₹1.80 \times 200$ $= ₹360$
Operating charge/day payable to the nodal agency by the applicant (In this case nodal agency(SRLDC) collects operating charges for all three Regional Load Dispatch Centres - NRLDC,WRLDC and SRLDC and hence a multiplicative factor of 3 has been used)	$= ₹1.80 \times 200 \times 3$ $= ₹1080$
RLDC Operating charge payable for 7 days (assuming scheduled energy to be same for all days)	$= ₹1080 \times 7$ $= ₹7560$ (₹2520 per RLDC for 7 days)

Particulars	Calculation
SLDC Charges	
SLDC operating charge/day payable to each SLDC	= ₹1.80x200x95% = ₹342
SLDC operating charge payable to each SLDC for 7 days (assuming scheduled energy to be same for all days)	= ₹342x7 = ₹2394

**(b) Operating charges payable for collective transaction**

For collective transaction (i.e. day ahead market) if a consumer buys different quantum of energy in separate 15 minute time blocks of a day then the scheduled energy for the day shall be aggregation of scheduled energy in each block over the 24 hours for which day ahead auction is conducted. For a customer with the following hypothetical case

Time Block	Buy Quantity (MW)	Scheduled Energy (MWh)
00:00-00:15	5	1.25
09:00-09:15	10	2.50
11:45-12:00	5	1.25
14:15-14:30	10	2.50
16:15-16:30	8	2.00
16:30-16:45	10	2.50
16:45-17:00	16	4.00
Other blocks	0	0.00
<b>Total</b>	<b>64</b>	<b>16.00</b>

- (i) NLDC operating charge payable by the consumer to Power Exchange for the particular day = ₹1.80x16 = ₹28.8
- (ii) SLDC operating charge payable by the consumer for the particular day  
= ₹1.80x16x95% = ₹27.36
- (This charge shall be applicable only if SLDC operating charge is not notified by the respective State Commission)