



**ORDER
OF THE
WEST BENGAL ELECTRICITY REGULATORY COMMISSION
IN CASE NO. OA-261/17-18**

IN REGARD TO THE APPLICATION SUBMITTED BY THE WEST BENGAL STATE ELECTRICITY DISTRIBUTION COMPANY LIMITED (WBSEDCL) FOR ISSUANCE OF APPROPRIATE ORDER DETERMINING DIFFERENT CHARGES TO RECOVER FROM OPEN ACCESS CUSTOMERS IN TERMS OF REGULATION 27 OF THE WEST BENGAL ELECTRICITY REGULATORY COMMISSION (OPEN ACCESS) REGULATIONS, 2007 AS AMENDED FOR REMOVAL OF DIFFICULTIES TO MEET THE POWER REQUIREMENT OF THE OPEN ACCESS CUSTOMERS BY DISTRIBUTION LICENSEE

PRESENT:

**SRI SUTIRTHA BHATTACHARYA, CHAIRPERSON
SRI DURGADAS GOSWAMI, MEMBER
SRI PULAK KUMAR TEWARI, MEMBER**

DATE : 12.02.2022



Issuance of appropriate order determining different charges to recover from Open Access customers in terms of regulation 27 of the West Bengal Electricity Regulatory Commission (Open Access) Regulations, 2007 as amended for removal of difficulties to meet the power requirement of the Open Access customers by Distribution Licensee



FACTS IN BRIEF

- 1.0 The West Bengal State Electricity Distribution Company Limited (in short 'WBSEDCL') submitted an application vide letter dated 25.08.2017 for issuance of appropriate order determining different charges to be recovered from Open Access customers in terms of Regulation 27 of the West Bengal Electricity Regulatory Commission (Open Access) Regulations, 2007 as amended for removal of difficulties to meet the power requirement of the Open Access customers by Distribution Licensee.
- 2.1 WBSEDCL, in their application, inter-alia submitted that the deviation volume for the State during a time block shall not exceed 12% of its scheduled drawal or 150 MW, whichever is lower as per the provisions of CERC (Deviation Settlement Mechanism and Related Matters) Regulations, 2014. Thus, the deviation limit assigned to the state cannot be maintained for sudden drawal of power by open access customers in case of failure of supply from its open access source for any reason or overdrawal of power beyond sanctioned load. In such a situation, the power drawal through tie line may be cut-off as per the direction issued by Regional Load Despatch Centre. This may lead to massive load shed or disruption of power in the State. In view of the above, the Open Access customers cannot be allowed to draw power in excess of schedule under Deviation Settlement Mechanism. This will help the state to adhere to the limit as well as to maintain the grid discipline.
- 2.2 In addition to above, WBSEDCL requested to determine the following charges for the open access customers as per provisions of Open Access Regulations:
 - (i) Demand charge and energy charge for the additional power to be kept as standby or back up power by the Distribution Licensee for meeting the demand of the Open Access customers for the period of open access. The additional standby/ back up power is related to its power requirement or last contract demand at drawal point as consumer mode, whichever is higher.
 - (ii) In case of drawal of power beyond the contracted standby power, amount payable for additional demand charge and energy charges for open access customers.
 - (iii) It is prayed that the open access customers during drawal of power in consumer mode shall pay MVCA charges but other rebates and charges such as PF rebate, LF rebate, rebate for 30% additional drawal in off-peak period, e-payment rebate, etc. shall not be applicable to them.

In order to ensure recovery of above, WBSEDCL proposed to have a payment security mechanism in the form of Bank Guarantee.

- 2.3 WBSEDCL further stated that there is a time gap between incurring expenditure and allowing the same in tariff due to inherent nature of trueing up process and thus it results in accumulation of regulatory asset/ regulatory receivables. WBSEDCL requested to pass an order to receive payment of proportionate share of Regulatory Asset from the open access customers. As a payment security mechanism, WBSEDCL also proposed to take a Bank Guarantee equivalent to the proposed share of Regulatory Asset/ Regulatory



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receivables as per APR application submitted/ to be submitted based on the books of accounts of the Distribution Licensee till the date the Open Access customer ceases to be a WBSEDCL's customer.

OBSERVATIONS AND ORDER OF THE COMMISSION

- 3.0 The Commission had already informed WBSEDCL vide letter dated 22.11.2017 that the issues mentioned in the application will be dealt during finalization of the draft on the Open Access Regulations, the Balancing and Settlement Code Regulations and the Tariff Regulations.
- 4.0 The Commission further observes that it had already notified West Bengal Electricity Regulatory Commission (Deviation Settlement Mechanism and related matters) Regulations, 2021 vide Notification No. 73/WBERC dated 26.11.2021 which specify the limits of Intra State Transmission System Users including Open Access customers to limit the overall state drawal to 150 MW. Further, the Commission also observes that it had notified West Bengal Electricity Regulatory Commission (Balancing and Settlement Code) Regulations, 2021 vide Notification No. 69/WBERC dated 26.11.2021 which specify the accounting mechanism for such deviations by the InSTS Users and Open Access customers.
- 5.0 The issues related to standby power and its charges, recovery of Regulatory Asset. etc. are to be considered appropriately during subsequent amendments to the Open Access Regulations and the Tariff Regulations following the provisions of Section 181 of the Electricity Act, 2003.
- 6.0 In view of the above, the Commission disposes of the application of WBSEDCL.
- 7.0 A copy of the order shall be posted in the website of the Commission.
- 8.0 WBSEDCL shall download the copy of the order from the website of the Commission and act on it. Certified copy of the order, if applied for, be given to the parties on completion of formalities laid down in the West Bengal Electricity Regulatory Commission (Conduct of Business) Regulations, 2013, as amended and on submission of necessary fees.

sd/
(PULAK KUMAR TEWARI)
MEMBER

sd/-
(DURGADAS GOSWAMI)
MEMBER

sd/-
(SUTIRTHA BHATTACHARYA)
CHAIRPERSON

Dated: 12.02.2022

sd/-
SECRETARY