

To,

The Secretary,
Punjab State Electricity Regulatory Commission,
Chandigarh.

Subject: PSERC Notification No 103 dated 01/06/2015 in connection with Petition No. 16 of 2013, Clarifications thereof.

Sir,

Most respectfully it is submitted that with the issue of PSERC (Terms and Conditions for Intra-State Open Access) (5th Amendment) Regulations, 2015, some of the points related to the implementation of the above said regulation remain unresolved thereby causing a sense of confusion among the Large Supply Industrial Consumers availing open access. The same are brought out as under :-

1. Quantum of penalty for violation of Contract Demand:-

With the above referred 5th amendment, Regulation 28(3) has been added providing that the quantum of drawl of electricity (in KVA) by an Open Access Consumer from the distribution licensee during any time block of a day (24 hours) will be limited to the admissible drawl (in KVA) in such time block wherein the schedule for Open Access drawl (KWH to be converted to KVA) is maximum.

It is understood that in case any consumer violates this provision then the penalty for the same is to be levied as per Regulation 31(2) of OA Regulations 2011. As per this Regulation, the

consumer will be governed by the General Conditions of Tariff and relevant Schedule of Tariff approved by the Commission.

If this violation is to be treated as violation of Contract Demand, then as per GENERAL CONDITIONS OF TARIFF (Annexure I of Volume 2 of Tariff Order FY 2015-16) Demand Surcharge for exceeding the Contract Demand is as under:

10.2 *If a consumer in a month exceeds the sanctioned contract demand, demand surcharge shall be charged at a rate of Rs. 750/- per KVA on excess demand, irrespective of number of defaults. -----*

If the above said penalty is to be leviable, Regulations provide that

- i) Calculation of drawl is to be taken as average drawl in 30 minutes time block.
- ii) Penalty is leviable on monthly basis irrespective of number of violations.

Following issues arise for consideration:-

- a) Whereas PSPCL's DLMS/TVM meters record drawl parameters of PSPCL power in 30 minutes time block, ABT meters for Open Access power have facility of recording drawl parameters in 15 minutes time block as per CEA/PSERC Metering Regulations.
- b) As per 5th amendment, admissible drawl is to be worked out for each day which will vary depending on the open access power cleared at the exchange and quantum of violation shall also vary on daily basis depending on admissible drawl and actual maximum demand achieved on each day.

c) Whereas Demand Surcharge is Rs 750/- per KVA per Month, Penalty for Peak Load Violation is different i.e. Rs 50/- per KWH per day. Further permission to use power during Peak Load hour restrictions is being given in KW. Even Annexure II of PSERC order dated 15-4-2015 in Petition No 6 of 2015 prescribes the Grant of Load during Peak Load Hour Restrictions, Restricted Load and Penalty all in KW. How the Amendment No 5 is to be implemented during Peak Load Hours is not clear. Further, will the exemption already obtained under peak load hours against payment of PLEC charges will also be effected by this amendment, also needs to be clarified.

Therefore

A) The penalty clause meant for 30 minute average in One Month in General Conditions of Tariff as per Regulation 31(2) is at variance with the 15 minute average of One Day as per Regulation 28(3) now added vide Amendment no 5 of OA Regulations.

B) The treatment to be given to violation during PLH restrictions is not prescribed in Regulations.

It is apparent that Regulations and Policy on Peak Load Hours (PLH) Restrictions and Exemptions are required to be amended and brought in consonance with each other for proper implementation of the 5th amendment of OA Regulations.

2. Power factor to be taken for conversion of Open Access Power in MW to MVA for working out the revised daily admissible drawl of an Open Access Consumer :-

Presently PSPCL is using different Power factors for different purposes as under:-

i) For granting permission for Open Access Power in the monthly NOC, PSPCL is using Normative Power Factor of 0.9 for working out permitted quantum in MW equivalent to the Contract Demand. For example it is stated that an industry having CD of 2500 KVA is allowed to use $2500 \times 0.9 = 2250$ KW in Open Access.

ii) While converting the energy scheduled by Power Exchange in KWH to KVAH for working out PSPCL's Power Consumption for the purpose of raising monthly bills, actual Power factor attained by the industry during the month is being taken as per order of PSERC dated 20-5-2015 in Petition No 3 of 2015.

iii) For allowing maximum load in KW to be used during Peak Load Hour Restrictions, Sanctioned Contract Demand is to be multiplied with Power factor of 0.9 as per Policy of Peak Load Restrictions approved by PSERC.

iv) The Average Conversion Factor / Normative Power Factor for converting KWH Tariff to KVAH Tariff and for fixing yearly open access charges is adopted as 0.98 for LS PIU and 0.95 for LS General Industries as per para 7.1.2 of Tariff order 2014-15 adopted by PSERC.

v) Para 10 of Tariff Order for 2015-16 states as us under:

"10. Contract Demand

10.1 Contract demand shall mean the maximum demand in KVA sanctioned to the consumer.

10.2 All consumers with load exceeding 100 kW (except Public Lighting & AP High Tech/High Density Farming), MS/BS consumers and DS/NRS consumers with load exceeding 50 kW but upto 100 KW shall declare the maximum demand in KVA which shall not exceed

100% of the sanctioned load in kW and converted in KVA by using 0.90 power factor. However, in case of MS consumers, the maximum demand shall not exceed 100KVA. The date of applicability of contract demand for DS/NRS consumers with load above 50 KW and upto 100 KW shall be specified in Tariff Order.

10.3 *The maximum demand for any month shall be considered as highest average load measured in kilovolt Ampere (KVA) during a block of 30 minutes period."*

In above paras, usage of different Power Factors for various purposes has been shown but for the purpose of conversion of Scheduled Open Access power in MW to MVA, there exists no instruction as to what Power Factor is to be taken for arriving at the daily CD Limit as per PSERC (Terms and Conditions for Intra-State Open Access) (5th Amendment) Regulations, 2015. Instructions in this regard becomes necessary because Power Exchange schedules Open Access power in MW for a fifteen minutes time block and the same is required to be converted to KVA for deducting the maximum scheduled Open Access Power from the CD to arrive at the extent of admissible power that can be drawn from PSPCL on that day.

3. Banking of Open Access Power:-

A) Collective Transactions

In case of fault in the feeding substation / line the Open Access Power purchased by a consumer during the period of fault is considered as Power Banked with PSPCL and as per clause 8 of PSTCL Procedure for Intra State Short Term Open Access, that baked power can be utilized by the Open Access consumer with in fifteen days of the date of fault with the Approval of PSPCL in the allotted time slot. Earlier, OA consumer was not purchasing OA power in that time slot and power used in the slot was adjusted against the banked power. However, with the

Amendment No 5, there is no clarity to the effect that when PSPCL allows the Open Access consumer to use that power then that power is to be considered as Scheduled Open Access power or PSPCL power to determine the admissible drawl for that day or that slot will be excluded for the purpose of calculation of admissible drawl for that day.

B) Bilateral Transactions

in case of Interstate bilateral schedule, in addition to the situation of forced outage of PSTCL and PSPCL transmission /distribution system as described above, the forced reduction of schedule by NRLDC due to congestion and or outage of interstate links/lines also have to be covered as on such a day, Consumer will have to draw full power up to CD from PSPCL.

4. Multiplying factor of DLMS meters

DLMS meters installed by PSPCL recently have reading display of xxxxx.x format against earlier Trivector Meters with reading format of xxxxx.xxx. With a multiplying factor of 90,000, the final reading with new meters having one decimal point will vary with a count of 9000 whereas in earlier meters with three decimal points, the count was 90. This new meter is also indicating the MDI with three zeros. These DLMS meters are also showing excessive drift in time clock and PSPCL is being flooded with requests for replacement of meters as many meters have already exceeded the permitted drift of 20 minutes.

Thus if violation is calculated with such DLMS meters, consumer may have to suffer for violation, though there may not be any violation with regard to ABT meters.

Therefore, there is urgent need to amend the regulations and also amend the Short term Open Access Procedure for concurrency.

It is therefore humbly requested that process for above amendments and clarifications be set in motion and till these are finalized/notified, Amendment No 5 may be held in abeyance.

Yours faithfully.



Amit Ailawadi

Secretary

Open Access Users Association