

Accepted by
Punjab State Electricity Regulatory Commission
Chandigarh
20-22
Sector 52A



Ref. No: OAU/16-17/001

Dated: 16/03/2016

To,

The Secretary,
Punjab State Electricity Regulatory Commission,
Chandigarh.

Subject: Commercial Circular No 8 of 2016 issued by PSPCL for implementation of PSERC Order dated 3.2.16 in Petition No 47 of 2015.

Sir,

It is respectfully submitted that Open Access Users Association (OAU) had filed a Petition No 47 of 2015 pointing out difficulties in implementation of CC No 29 of 2015 issued by PSPCL to implement the PSERC Notification No 103 dated 01/06/2015. Hon'ble PSERC was pleased to decide the Petition No 47 of 2015 vide orders dated 3.2.16 (Copy Attached) and PSPCL has issued CC No 8 of 2016 in compliance to the orders dated 3.2.16.

On scrutiny of CC No 8 issued for amending the provisions of CC 29 of 2015 in line with orders dated 3.2.16, we find that PSPCL has not faithfully implemented the orders in respect of 2 issues but have partly amended these to suit their own interests and are working against the Regulations framed by this Hon'ble Commission and the mandate of Electricity Act, 2003. These are discussed as under:

1) Background.

i) OAU had pointed out in para (A) of the Grounds of the Petition that in case of congestion on inter-state transmission corridors, already



approved open access schedules are curtailed by the Nodal RLDC for the safety of the grid. PSERC Open Access Regulations 2011 provide in Para 6.4(1) that interstate short term open access transactions shall be governed by CERC open Access Regulations which provide that Short term open access will be curtailed first and further, Bilateral Transactions will be curtailed first followed by Collective Transactions. Further, these curtailments may be uniform or uneven and if the curtailment is uniform for the day, Amendment No 5 of Open Access Regulations is implementable but if the curtailment is not uniform, then the consumer will not be able to stick to the admissible drawl as per Amendment No 5 for the day as Per Amendment No 5/CC 29 as he will have to change the drawl from PSPCL/load of the factory after every 15 minute time block depending on curtailment which is next to impossible.

ii) During the hearing of the Petition No 16 of 2013, PSPCL had made submissions before this Hon'ble Commission that the proposed Amendment (No 5) will not affect the bilateral transactions. However, Amendment issued in consequence was affecting the consumers having arranged the bilateral power due to the Force Majeure conditions which are beyond his control.

iii) It was also submitted that SLDC/STU has issued Procedure for Intra State Short Term Open Access with the approval of this Hon'ble Commission in compliance to Open Access Regulations 2011. For proper implementation of Amendment No 5 of Open access regulations, PSPCL and STU (SLDC) may pl be directed to revise the Open Access Procedure immediately in line with the decisions on the issues raised in this Petition.

iv) Accordingly following prayers, interalia, were made:-



c) To provide in the Open Access Regulations 2011 for drawl of power by Open Access consumer up to the Contract Demand under Force majeure condition of curtailment of approved bilateral schedules by RLDC due to outage of transmission corridors or forced outage of inter-state links/lines.

g) To direct Respondent No 2 to amend the Short term open access procedure in line with the Amendment No 5 covering all aspects.

2. Curtailment in Approved Schedule by Nodal RLDC under force majeure condition and consequent variation in Admissible Drawl.

v) After submission of replies and counter replies by the parties, Hon'ble Commission directed the OAU and PSPCL to discuss the issues and submit proposal suggesting solutions to the Commission. Accordingly, after holding discussions, PSPCL vide its letter dated 22.12.2015 filed its proposal in the matter of above Petition as directed by the Commission. The comment of PSPCL on this issue as per para 15 of the PSERC order dated 3.2.16 is extracted as under:-

i) Purchase of Power under STOA under Bilateral Agreement

In case of curtailment of already approved schedule by NRLDC, open access consumer starts over drawl of power from PSPCL, for which PSPCL has to arrange additional power all of a sudden, for which PSPCL need to be compensated as per over drawl provisions of Open Access Regulations, 2011.

OAU had filed its counter reply vide letter dated 4.1.16

vi) This Hon'ble Commission while deciding the issue, made following observations in its order dated 3.2.2016:-



"The revision in drawl schedule due to bottleneck in evacuation of power due to any constraint has been dealt with in regulation 11.5 of State Grid Code. The relevant clause is reproduced as under:

"11.5 Revision in injection/drawal schedule on real time basis

During the day of operation, the injection/drawal schedule may be revised by SLDC under following conditions:

- (i) Revision of schedules of SGS shall be governed by SGC.*
- (ii) NRLDC may revise the schedule of drawal from Northern Region and consequently SLDC shall enforce the revisions within Punjab.*
- (iii) In case of forced outage of a unit of any SGS, SLDC may revise the generation/drawal schedule on the basis of revised declared capability by the affected SGS/Distribution Licensee.*
- (iv) In case of bottleneck in evacuation of power due to any constraint, SLDC may revise the generation/drawal schedule on the basis of revised declared capability by the affected SGS/Distribution Licensee.*
- (v) In consideration to clause 6.5 (16) of IEGC, the revised schedules in case of above contingencies (Regulation 11.5 (iii) & 11.5 (iv)) will become effective from the 4th time block, counting from the time block in which the revision is advised by the generator or in which the bottleneck in evacuation of power has taken place to be the first one. The revised declared capability will also become effective from the 4th time block. Also, during the first, second and third time blocks of such an event, the*



scheduled generation of the station will be deemed to have been revised to be equal to actual generation and also the scheduled drawals of the beneficiaries / Distribution Licensees will be deemed to have been revised to be equal to their actual drawals.

(vi) In case of any Grid Disturbance, Scheduled Generation of all the Generating Stations and Scheduled Drawal of all the Beneficiaries / Distribution Licensees shall be deemed to have been revised to be equal to their Actual Generation/ Drawal for all the time blocks affected by the Grid Disturbance. Certification of Grid Disturbance and its duration shall be done by SLDC.

- (vii) -----
- (viii) -----
- (ix) -----
- (x) -----

(xi) If, at any point of time, SLDC observes that there is need for revision of the schedules in the interest of better system operation, it may do so on its own and in such cases, the revised schedules shall become effective from the 4th time block, counting the time block in which the revised schedule is issued by SLDC to be the first one.

- (xii) -----
- (xiii) -----

(xiv) Generation schedules and drawal schedules issued/revised by SLDC shall become effective from designated time block irrespective of communication success.

- (xv) -----
- (xvi) -----
- (xvii) -----



(xviii) -----
(xix) -----
(xx) -----
(xxi) -----

Thus, as per State Grid Code, in case the already approved bilateral schedule of an Open Access consumer is curtailed by NRLDC/SLDC due to system constraints, the revised drawl schedule shall become effective from 4th time block, counting the time block in which such bottleneck in evacuation of power has taken place to be the first one. Accordingly, the Open Access consumers are required to adjust its drawl from PSPCL during this period.

During hearing, PSPCL and SLDC officers admitted that sometimes the intimation for such curtailments are not received in time.

vii) In view of the above provisions of State Grid Code, Hon'ble Commission decided the issue as under:

Keeping in view the practical difficulties being faced both by PSPCL/SLDC/Open Access consumers, the Commission decides that in case the Open Access consumer over draws power above the admissible drawl for the day after 4th time block, then such consumer shall be charged as per regulation 31(1)(a) of the Open Access Regulations, 2011, for the excess power drawn from PSPCL during the period of curtailment. The certification of such an event along with duration of curtailment shall be done by SLDC.

However, before proceeding to second issue, we would like to direct both the Open Access consumers as well SLDC to fulfill their obligations as per Open Access Regulations, 2011 and the



Electricity Act, 2003, particularly regarding setting up and operating round the clock control room and efficient communication system. As per para 2.2(iii) of the Procedure for intra-State Short Term Open Access, the consumers availing Open Access are required to set up round the clock control room at their premises with telephone/mobile/fax/e-mail facilities. SLDC is also required to establish an efficient communication system for speedy delivery of information to the Users/Open Access consumers.

- vii) In view of the above order, PSPCL has amended the relevant provision of the CC No 29 of 2015 vide CC No 8 of 2016 in which the above order has been implemented only in respect of the collective transactions.
- viii) It is brought to the notice of the Hon'ble Commission that above provision of State Grid Code is applicable equally on both the collective as well as bilateral transactions. Moreover, the orders of the Hon'ble Commission are with reference to open access transactions as a whole and not for the bilateral transactions only. However, PSPCL in its CC no 8, has covered only bilateral transactions and left out the collective transactions.
- ix) It is submitted that case of bilateral transactions was pleaded initially as such curtailment of Punjab consumer had happened in bilateral transactions on the start of paddy season i.e. June 2015 in Punjab. Further, CERC Regulations on Inter State Open Access provided that bilateral transactions are to be curtailed first and collective transactions are to be curtailed thereafter meaning thereby that collective transactions are to be curtailed only in the event when relief available from bilateral curtailment is



less than the desired relief for safe grid operation. However, NRLDC curtailed the collective transactions of many open access consumers on 14-1-2016 and 15-1-2016 and there was violation of Admissible Schedule of such open access consumers. Some consumers had informed to the Hon'ble Commission about these curtailments and had requested that these be also covered in the orders to be issued for bilateral transactions under Petition No 47. Though the orders of the Hon'ble Commission covered all the open access transactions, bilateral as well as collective, PSPCL on its own chose to cover the bilateral transactions only in CC No 8.

x) As per information available from IEX, on 14-1-15, power for --- open access consumers out of total --- consumers was curtailed and for --- consumers out of --- consumers on 15-1-15. The quantum curtailed was --- MWHR on 14-1-15 and --- MW on 15-1-15.

xi) it is submitted that

- a) The curtailment in drawl schedules of open access was done in both the cases i.e. bilateral and collective transactions by nodal RLDC.
- b) Both the curtailments were due to constraints in the transmission corridors of Central Transmission Utility.
- c) The consumers had arranged power on day a-head basis in collective transactions and on month ahead basis in case of bilateral transactions keeping in view the provisions of Amendment No 5 of PSERC OA Regulations 2011.
- d) In both the cases, the curtailment was beyond the control of the consumers and a force majeure condition.



- e) In both the cases, consumers have exceeded the revised admissible drawl due to curtailment.

Therefore, both the cases need to be dealt simultaneously and the orders of the Commission should be applicable to both the cases equally as open access transactions cover both the bilateral and collective transactions and covered by the same provisions of SGC. Hon'ble commission may please direct the PSPCL to amend the CC No 8 of 2015 accordingly.

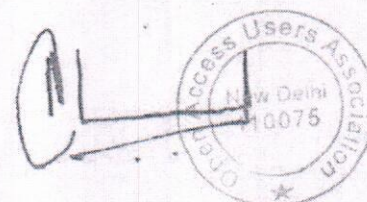
3. Amendment of Procedure for Short Term Open Access.

Though, OAU had prayed in para (g) for directions to PSTCL (SLDC) for amendment of Short term open access procedure so that all the up dated instructions are available at one place. It is added here that OA Regulations has already been amended thro' 6 no amendments. Further, clarity has been provided on many issues by this Hon'ble Commission thro' various orders related with open access which need to be consolidated. It is therefore again requested that Hon'ble Commission may get the OA procedure updated and approve the same.

4. Penalty of peak load violation and demand surcharge to be charged together from ToD Consumers.

Vide para "c" of the Petition, OAU had raised the issue of provisions of CC 29 regarding imposing penalty of Peak Load Violation for exceeding admissible drawl during evening peak hours on consumers opting for TOD. Hon'ble Commission was pleased to decide the matter vide para 19 (iv) of the order and the extract is as under:

"Thus, penalty for peak load hours violation is not applicable for those consumers who have opted for ToD tariff during the period 1st October to 31st March. However, in case, the consumer



exceeds his sanctioned contract demand during this period, demand surcharge should be payable.

During 1st April to 30th September, when PLH restrictions/ exemption limit has been sanctioned to an Open Access consumer after payment of PLEC, then such consumer is required to keep its drawl both within the sanctioned PLH exemption limit as well as within the admissible drawl/ sanctioned contract demand. Each violation shall be treated separately and penalties, as applicable, for each violation shall be levied."

It is submitted that CC 8 of 2016 does not cover the above directions of the Commission and needs to be amended further to cover the same.

Further, PSPCL was directed to submit proposal regarding quantum of Demand Surcharge as under:-

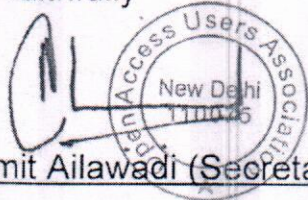
"However, the Commission observes that the penalties imposed vide Commercial Circular 29 of 2015 for ensuring implementation of 5th amendment to Open Access Regulations, 2011, need to be further fine tuned, so that each day violation is taken care of, otherwise the purpose of carrying out 5th amendment to Open Access Regulations, 2011 will be defeated. PSPCL is directed to submit proposal to the Commission on the above lines, within 3 weeks from the date of issue of this Order. Till revised scheme is approved by the Commission, the instructions as contained in Commercial Circular 29 of 2015 shall continue, except charging of penalty for violation of PLH restrictions from those consumers who have opted for ToD tariff during the period 1st October to 31st March, as explained above."



As on date, a period of more than 6 weeks has passed since the issue of the orders against 3 weeks allowed, OAU is not aware of the proposal submitted. In case PSPCL fails to submit the proposal, Hon'ble Commission is requested to fine tune the Demand Surcharge thro' Sua motu proceedings so that sufferings of the consumers are addressed. It is added here that the TOD tariff period will be over in another 7-10 days and the issue needs to be addressed on priority.

OAU also requests for personal hearing also so as to explain the above issues in detail.

Yours faithfully



Mr. Amit Ailawadi (Secretary)

- CC: 1. The Chief Engineer/Commercial, The Mall, PSPCL Patiala.
2. The Chief Engineer/PP&R, PSPCL, D-3, Shakti Vihar Patiala.
3. The Chief Engineer/SLDC, PSTCL, Ablawal Patiala.