

**PUBLIC WORKS NOTIFICATIONS
TELANGANA STATE ELECTRICITY REGULATORY COMMISSION
HYDERABAD**

No. TSERC/ /2017

Dated: 22.03.2017

Regulation No. 1 of 2017

**THIRD AMENDMENT TO (INTERIM BALANCING AND SETTLEMENT CODE FOR
OPEN ACCESS TRANSACTIONS) REGULATION No. 2 of 2006**

INTRODUCTION:

In terms of Annexure-2 of Clause 12.1 of the erstwhile APERC (Terms and Conditions of Open Access) Regulation, 2005 (No. 2 Of 2005) and adoption of the regulation by TSERC vide Regulation No 1 of 2014, stipulated the essential features of Open Access Agreement which provides that the balancing and settlement of energy and demand shall be done in accordance with the Balancing and Settlement Code approved by the Commission. Accordingly, there exists a provision for an agreement between the Open Access user and the Transmission or Distribution Licensee.

Consequent upon the promulgation of the Telangana Solar Power Policy 2015, the Interim Balancing and Settlement Code for Open Access Transactions Regulation No. 2 of 2006 that is Andhra Pradesh Electricity Regulatory Commission (Interim Balancing and Settlement Code for Open Access Transactions) Second Amendment Regulation, 2014, for banking facility allowed to Wind, Solar and Mini-Hydel Power Generation which were added under Appendix-3 of the regulation needs to be further amended. Such amendment has to provide for agreement of banking of energy by the captive consumers.

To facilitate the accounting of energy for banking by a generating company (having captive consumption), who has no Open Access Agreement with the licensees and having connection agreement only, a separate agreement is required to be provided by amendment / addition to the said amendment regulation.

In exercise of the powers conferred under Section 181 read with Sections 86 (1) (e) of the Electricity Act 2003 (36 of 2003) and all other powers enabling it in that behalf, the Telangana State Electricity Regulatory Commission hereby makes the following amendment to the principal Regulation No. 2 of 2006, as amended in Regulation No. 2 of 2014, namely: -

1. SHORT TITLE, COMMENCEMENT AND INTERPRETATION

(a) This Regulation may be called Telangana State Electricity Regulatory Commission (Interim Balancing and Settlement Code for Open Access Transactions) Third Amendment Regulation, 2017.

(b) This Regulation shall extend to the whole of State of Telangana.

(c) This Regulation shall come into force on and from the date of its publication in the Gazette for the State of Telangana.

2. EXTENT OF APPLICATION

The amendment to the Interim Balancing & Settlement Code set out in this Regulation shall apply to a generating company (having captive consumption), who has no Open Access Agreement with the licensees and having connection agreement only.

3. INCLUSION OF BANKING AGREEMENT

After clause 10 of the Principal Regulation, the following clause shall be added as clause 10 A with the above heading:

To facilitate accounting of energy for banking by a generating companies, having captive consumption and has a connection agreement only, a separate agreement to be known as "Banking Agreement", which shall contain, inter alia the terms and conditions as supplementary APPENDIX-3, has to enter by the Distribution and Retail Supply licensee with such generating companies.

4. The Appendix-3 in the principal regulation as amended from time to time prior to the date of publication of this regulation shall stand substituted as follows:

Appendix-3

Terms & Conditions for Banking facility allowed to Wind, Solar and Mini-Hydel Power Generation:

1. Banking charges shall be adjusted in kind @ 2% of the energy delivered at the point of drawl.
3. The banking year shall be from April to March i.e., from the 1st day of April of a year to the 31st March of the subsequent year.
4. Banked units cannot be consumed / redeemed in the peak months (i.e., from 1st April to 30th June and 1st February to the 31st March of the banking year under consideration) and also in the peak hours as ordered by the Commission in the Retail Supply Tariff Order of the relevant year.
5. The provisions on banking pertaining to drawl restrictions shall be reviewed based on the power supply position of the state.
6. For captive generator, the energy injected into the grid from date of synchronization shall be considered as deemed banked energy.
7. For third party sale, the energy injected into the grid from the date of synchronization till the date prior to captive consumption to open access approval date will be considered as deemed banked energy.
8. The unutilized banked energy shall be considered as deemed purchase by DISCOM(s) at the average pooled power purchase cost as determined by TSERC for the relevant year.
9. Where a solar or wind generator is having a power purchase agreement (PPA) (for sale) with the licensee, the energy injected into the grid from the date of synchronization to Commercial Operation Date (COD) will be purchased by the DISCOMS at 50% of the first year tariff of the project, as per the provisions of the PPA.

(BY ORDER OF THE COMMISSION)

Sd/-

**Dr. K. SRINIVAS REDDY
COMMISSION SECRETARY
TELANGANA STATE ELECTRICITY
REGULATORY COMMISSION**

**HYDERABAD
Dt:22-03-2017.**