

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

**Coram: Shri Gireesh B. Pradhan, Chairperson
Shri A. K. Singhal, Member
Shri A. S. Bakshi, Member**

Date: 12.5.2015

In the matter of:

Central Electricity Regulatory Commission (Open Access in inter-State Transmission) (Third Amendment) Regulations, 2015

Statement of Objects and Reasons

In exercise of power conferred under Section 178 of the Electricity Act, 2003 (hereinafter "the Act"), the Central Electricity Regulatory Commission (hereinafter "the Commission") had notified Central Electricity Regulatory Commission (Open Access in inter-State Transmission) Regulations, 2008 on 7.2.2008 and subsequent amendments on 29.5.2009 and 11.9.2013 (hereinafter collectively referred to as "the Principal Regulations").

2. The Commission had issued the draft Central Electricity Regulatory Commission (Open Access in Inter-State Transmission) (Third Amendment) Regulations, 2014 (hereinafter "Draft amendment") along with the Explanatory Memorandum on 3.7.2014 inviting comments/suggestions/objections from the stakeholders on these draft regulations. In response, Indian Energy Exchange (IEX), Power Exchange India Limited (PXIL), Power System Operation Corporation Ltd. (POSOCO), Thermal Powertech, Punjab State Transmission Corporation Limited (PSTCL), PTC India and Karnataka Electricity Regulatory Commission (KEREC) have submitted their comments.

3. Subsequently, a public hearing was held on 4.9.2014 to elicit views of the stakeholders and other interested persons in which oral submissions were made by IEX and POSOCO. The oral submissions made by the parties were similar to their respective written submissions.

4. After taking into consideration the comments/objections/suggestions made by the various stakeholders, the Commission has finalized the amendment to the Principal Regulations for notification in the Gazette of India. The proposed amendment, summary of comments/objections/suggestions received and the rationale/decision of the Commission thereon are discussed in the succeeding paragraphs.

5. Amendment to the definition clauses of the Principal Regulations.

5.1 In the draft Regulations, it was proposed to insert sub-clause (j-a) after sub-clause (j) under clause (1) of Regulation 2 of Principal Regulations to introduce the definition of “NLDC operating charges or RLDC operating charges” 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."

5.2 Stakeholders' comments:

- i. KERC, POSOCO on behalf of NLDC and RLDCs and IEX have supported the proposed amendment.
- ii. Thermal Powertech has requested that the additional RLDC operating charges over and above the fees and charges specified by the Commission under sub-section (4) of Section 28 of the Act should not be levied on Independent Power Producers(IPP)/Inter-State Generating Stations (ISGS). Thermal Powertech has explained that an ISGS registered with RLDC as per the Central Electricity Regulatory Commission (Fees and Charges of Regional Load Despatch Centre and other related matters) Regulations, 2009 (hereinafter referred to as “RLDC Fees and Charges Regulations 2009”) are charged Market Operating Charges (MOC) and System Operating Charges (SOC) based on their installed capacity irrespective of their actual usage of the inter-State open access to the ISTS through Long term or Medium

term or Short term open access. As per the proposed regulations, if the generator avails short term open access to ISTS he will be liable to pay ₹2000/Day/Contract in addition to its SOC and MOC charges, which implies that an ISGS will end up paying the same charges twice. Thermal Powertech requested not to levy any additional RLDC operating charges for its short term open access transactions. Thermal Powertech has further submitted that Intra-State Generating Station are not directly connected to ISTS and are not required to pay any charges as per RLDC Fees and Charges specified by the Commission under sub-section (4) of Section 28 of the Act. They should be charged fees for scheduling, system operation with respect to their short term open access volume transactions related to RLDC.

5.3 Commission's decision/rationale:

Majority of the stakeholders who have submitted their responses are in agreement with the proposed amendment. As regards the concern raised by Thermal Powertech, it is clarified that the NLDC/RLDC operating charges are levied for long-term and medium-term transactions in accordance with the Central Electricity Regulatory Commission (Fees and Charges of Regional Load Despatch Centre and Other related matters) Regulations, 2009 as amended from time to time. The said regulations do not levy any charges for short term transactions which are governed as per the provisions of the Open Access Regulations. It is noted that Open Access Regulations already provide for levy of RLDC operating charges and the proposed amendment merely attempted to define the term 'NLDC or RLDC operating charges'.

In the light of the above, the proposed amendment has been retained.

5.4 In the draft Regulations, Sub-clause (o) under Clause (1) of Regulation 2 of the Principal Regulations was proposed to be inserted to define SLDC operating charges 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."

5.5 Stakeholders' comments:

- i. IEX, POSOCO on behalf of RLDCs and NLDC have supported the proposed amendment
- ii. Punjab State Transmission Companies Ltd. has requested to ensure that the proposed second proviso to the draft sub-clause (o.a) is retained.

5.6 Commission's decision/rationale:

The stakeholders have supported the proposed sub-clause (o.a) and, therefore, the said provision has been retained.

6. Amendment of Regulation 8 of the Principal Regulations

6.1 Proposed Amendment (Second and third provisos of Clause (3) of Regulation 8)

"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."

6.2 Stakeholders' comments:

6.2.1 IEX has suggested that the requirement of submission of affidavit by Sellers and Buyers may be done away with as it may not assist in achieving the intended objective. On the other hand, IEX has proposed for provision on 'gaming'. Accordingly, IEX suggested for modification of the provision as under:-

"Provided further that while making application to the SLDC for obtaining concurrence for bilateral transactions (except for intra-day transaction/contingency transactions), the applicant shall ensure that:

- 1) The Seller shall not involve in gaming practices such as selling beyond its generation capability, selling same power to two or more buyers or selling without generation, etc. and
- 2) The Buyer will not involve in gaming by contracting power more than the allowed quantum in NOC.

Provided that NLDC may define any other criteria of gaming as it deems fit for the smooth operation of the Grid.

Provided that RLDC/SLDC may declare any entity as defaulter who involves in gaming practices;

Provided further that an entity who is declared as defaulter by RLDC/SLDC will be penalized as follows:

1. RLDC/SLDC may debar such entity for maximum 7 days from availing open access in the event of first time default.
2. RLDC/SLDC may debar such entity for maximum 30 days from availing open access in the event of second time default.
3. RLDC/SLDC may debar such entity for maximum 60 days from availing open access in the event of third time default.
4. In case of repetitive defaulters, RLDC/SLDC may debar such entity permanently from availing open access.

Provided that before declaring any entity as defaulter, RLDC/SLDC should place on record the evidence and reasons for declaring the entity as "Defaulter".

IEX has suggested that the provisions of the amendment suggested by IEX may also be incorporated in the format for "Application for NOC" prescribed under the detailed procedure.

6.2.2 POSOCO has submitted that the provision is applicable in case of intra-State entities, which have to obtain NOC from SLDCs. However, there are a number of regional entities which sell/purchase power through collective transactions, and NOC is issued to them by the RLDCs concerned. Hence, POSOCO has suggested that "RLDC" may also be mentioned alongwith SLDC, so that RLDCs also can obtain an affidavit from regional entities which intend to avail NOC for trading in power exchange. POSOCO has requested to modify the second proviso of the proposed amendment as under:

"Provided further that while making application to the RLDC/SLDC for obtaining no objection or prior standing clearance in case of collective transactions....."

POSOCO has further suggested that an additional clause may be added stating that an application for open access shall not exceed the total limit specified in the Standing Clearance/NOC while Procuring/Selling power under any mode including LTA, MTOA, STOA (Bilateral and Collective).

6.2.3 Punjab State Power Transmission Ltd. (PSPTL) has suggested that in the proposed amendment to clause (3) of Regulation 8 of the Principal Regulations, 'self-declaration' may be substituted in place of 'affidavit'.

PSPTL has further suggested for incorporating another proviso as under:-

"Provided further that while making application to the SLDC for obtaining no objection or prior standing clearance in case of collective transactions involving a single Power Exchange, as declared by the applicant in advance, there is no need for any affidavit."

6.2.4 PTC India has submitted that sometimes applications are filed during holidays when notaries are not available and in many cases offices of notaries are not in close proximity. Hence, an applicant may be

permitted to submit self-certified affidavit and penal provisions may be introduced to prevent misuse. If at all notarised affidavit is made mandatory, applicants may be allowed to submit notarised affidavit within 3 working days of the filing the application.

6.3 Commission's decision/rationale:

Some of the stakeholders have requested to dispense with the requirement of submission of affidavit as it does not serve much purpose and only leads to delay in transactions. Others like PTC have suggested to submit the affidavit within three days of filing of application. We have considered the suggestions made by the stakeholders. An affidavit is a written sworn statement of facts voluntarily made by a person under oath or affirmation administered by a person authorised to do so by law. Such statement is witnessed as to its authenticity of the person's signature by a taker of oath such as Notary Public or Commissioner of oath. Under Section 8(c) of the Notaries Act, 1952, a notary may administer oath or take affidavit from any person. We are of the view that since the affidavit accompanying the application is required to include a declaration with regard to the absence of any other contract for purchase and sale of same power, the affidavit should be made under oath before a Notary Public or Commissioner of Oath for its authenticity. As such, the suggestion of doing away with the requirement of affidavit is not accepted and the proposed provision requiring submission of affidavit has been retained.

As stated by POSOCO, certain regional entities sell/purchase power through collective transactions on obtaining NOC from concerned RLDCs by filing of affidavit at RLDC. The suggestion of POSOCO has been accepted and the term "RLDC" has been added after the word "SLDC" in the third proviso to sub-clause (a) of clause (3) of Regulation 8.

POSOCO has further suggested including additional clause to ensure that the limit specified in the standing clearance/NOC is not breached

while transacting power under any mode (LTOA/MTOA/STOA). The Commission appreciates this suggestion of POSOCO. The suggestion requires introduction of a sub-provision which was not proposed in the draft Regulations. Therefore, this suggestion cannot be accommodated in the present amendment. The Commission, however, directs the staff to examine the suggestion made by POSOCO and submit before the Commission for future consideration.

PSTCL has suggested that while making an application to SLDC for obtaining NOC in case of collective transactions involving single power exchange, there is no need for submission of an affidavit. It is clarified that affidavit is a necessary requirement for the declaration made by an open access customer with regard to the existence or absence of a contract for the same power for which open access has been sought and this requirement cannot be dispensed with irrespective of whether the NOC is required for trading in one exchange or more than one exchange. Accordingly, the suggestion of PSTCL has not been accepted.

7. Amendment of Regulation 17 of the Principal Regulations regarding levy of NLDC/RLDC/SLDC Operating charges.

7.1 Proposed Amendment

"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."

7.2 Stakeholders' comments:

7.2.1 IEX has welcomed the proposed amendment as it rationalizes operating charges, especially reduces the charges by 50% and would encourage small consumers to benefit from Open Access and help in further development of the Market. IEX has submitted that the proposal to cap the RLDC/SLDC charges at ₹2000 per RLDC/SLDC per day would benefit even the large open access consumers. IEX has also submitted that in the draft Regulations, SLDC operating charges are proposed to be payable on scheduled energy at State periphery. POSOCO has suggested that SLDC operating charges should be applied on scheduled energy at regional periphery, as this would greatly simplify application of operating charges at SLDC level. IEX further submitted that this proposition will not have any significant impact on SLDC charges as maximum PoC losses are in the range of 2.2% which implies ₹0.0396 per MWh or ₹0.0000396 per KWh - an insignificant amount in the context of the total operating charges. IEX has also submitted that at present all State level Charges are levied on energy scheduled at regional periphery and therefore, calculation of operating charges on the energy scheduled at regional periphery would align all charges under the same principle.

7.2.2 POSOCO has submitted that as per the proposed amendment, the operating charges are to be levied based on the scheduled energy @

Rupees/MWh which is a major change from the present methodology wherein scheduling and system operation charges are specified in Rupees/Day. POSOCO referring to the Commission's order dated 14.11.2003 in Petition No. 48/2003 submitted that the charges for any kind of service should be commensurate with the efforts for delivery of the service. Efforts of NLDC/RLDCs are proportionate to number of transactions scheduled, irrespective of quantum of power scheduled. It submitted that the open access charges in case of grant of open access for a low quantum of power will be miniscule. However, irrespective of the quantum of power applied and charges collected thereof, same effort will be required for scheduling the power. Further, in case of curtailment or revision of schedule due to a contingency, the same amount of effort will have to be put in by the RLDCs/SLDCs for revision of the schedule. POSOCO has suggested that the Operating Charge may be levied @ Rupees/Day rather than based on the scheduled energy @ ₹/ MWh.

POSOCO has further submitted that there is clear distinction between two categories of STOA i.e. bilateral and collective. In case of bilateral, individual transaction has to be scheduled from source to sink State periphery and in case of collective transaction, total drawal and total injection at State/regional entity periphery is scheduled. It further submitted that collective transactions cannot be revised by applicants and curtailment is not very frequent. On the other hand, in case of bilateral transactions, revisions are allowed. The charges in case of collective transaction are either for injection or withdrawal, whereas in case of bilateral, it is for the entire transaction. POSOCO has submitted that for the purpose of scheduling and system operation charges, both cannot be on same footing and different charges are required to be specified. POSOCO has accordingly suggested two slabs each for bilateral and collective transactions depending on the volume as per the details given below:-

“Bilateral below 1.2 MU (50 MW average): ₹1000/day/RLDC or SLDC

Bilateral above and equal to 1.2 MU (50 MW average): ₹2000/day/RLDC or SLDC
Collective below 1.2 MU (50 MW average): ₹200/day/NLDC or SLDC
Collective above and equal to 1.2 MU (50 MW average): ₹400/day/NLDC or SLDC.”

POSOCO has submitted that if the Commission still decides to keep the operating charges on the basis of energy scheduled (MWh) at the regional periphery, the minimum operating charge cap may also be specified in line with the maximum operating charge cap proposed, to ensure that the charges do not become very low in case of low transaction size.

POSOCO has submitted that in the explanatory memorandum, operating charges for RLDC/NLDC/SLDC has been computed as ₹1.8/ MWh of scheduled energy to the end customer with capping of ₹2000. Presently no operating charge is refunded on account of curtailment due to transmission constraints, revision due to generation outage and revision due to downward schedule. POSOCO has submitted that there would be complexities if refund is allowed due to any of the above reasons and NLDC/RLDCs/SLDCs may have to refund on daily basis as operating charge is proposed to be calculated on scheduled energy.

7.2.3 PTC India has welcomed the proposed change of NLDC/RLDC/SLDC operating charge from per day to per MWh rate. It has submitted that the proposed amendment requires calculation of operating charges of RLDC and SLDC at different peripheries and this may create confusion and dispute especially in case of refund of open access charges due to curtailment and surrender of corridor. At present no refund is allowed in case of transmission constraint experienced by RLDC during the tenure of approval. Hence, it has requested to formulate a proper refund procedure.

PTC India has submitted that at present RLDC is approving open access application at Regional Periphery which is calculated after

imposing State Loss (in case of STU connected Plants) and injection loss for injection point. Hence for calculation of MWh at State Periphery, in case of seller- RLDC has to add the injection loss with the MWh approved at Regional Periphery and in case of buyer- RLDC has to subtract the withdrawal loss with the MWh approved at Regional Periphery.

PTC has submitted if the calculation of MWh at State Periphery is done as per the prevailing procedure, there would be difficulties in calculating the POC injection and withdrawal loss which varies every week and it cannot be assumed beforehand while processing the open access application.

PTC has submitted that the example given in the draft amendment regulation for calculating approved open access at State Periphery is not as per the prevailing practice. It submitted that at present transmission charges for CTU & STU in case of Bilateral Transactions is being calculated on the basis of accepted MWh at Regional Periphery. Separate delivery point of Regional and State Periphery is not considered even when power flow is different at various nodes of the transaction due to transmission loss. It hence requested to prescribe a clear procedure of calculating MWh at State Periphery or in the alternative it suggested that SLDC charges should also be on the basis of approved open access at the Regional Periphery.

- 7.2.4 PXIL has endorsed the proposed amendment to levy operating charge on the basis of energy scheduled (MWh) at regional periphery by NLDC for transactions in the respective Power Exchange as it would help in addressing the difficulties encountered in operationalising Open Access and increase energy transactions on the Power Exchange(s).

7.3 Commission's decision/rationale:

It is noted that IEX, PXIL and PTC have endorsed the proposed amendment regarding levy of NLDC/RLDC/SLDCD operating charges on the basis of energy scheduled in kWh. POSOCO has raised certain

concern regarding proposed amendment and has highlighted the complexities involved in computing the charges in ₹/MWh. POSOCO has suggested alternatives including reduction of the present flat rate charge and levying flat rate charge based on slabs.

The basic intent of proposing conversion of operating charge from flat rate to ₹/MWh was to rationalize such charges for different participating entities in proportion to the quantum of energy transacted by them. For instance, in a flat rate system, an entity irrespective of the quantum of power traded per day is liable to pay the same operating charge. This was explained in the Explanatory Memorandum. However, analysis of the issues at stake in this context reveals the following:-

- a. Conversion of operating charge from flat rate to ₹/MWh would lead to complexities in computation of such charge as has been highlighted by POSOCO (- the entity for which such operating charges is applicable).
- b. POSOCO has also highlighted that the quantum of efforts on the part of the system operators in handling any transaction is not dependent on the quantum of energy being transacted.
- c. While rationalization of the charges for the smaller participants like open access consumers is desirable for encouraging competition in the electricity sector, the question needs to be considered whether the same objective can be achieved without burdening the larger consumers.

In view of the above, we have decided to continue with the flat rate of operating charges instead of converting the operating charge to ₹/MWh. However, in order to rationalize the existing operating charges, we reduce operating charges for collective transactions from the present level of ₹5000 /regional entity to ₹2000 /regional entity and for bilateral transactions from the present level of ₹2000/entity to ₹1000/entity at State periphery. This will substantially reduce the

charges for both the big participants like distribution companies as well as smaller participants including open access consumers.

As in the case of RLDC operating charges, we have decided to continue with the present mechanism of SLDC operating charge on flat rate basis, but reduce the rate from the present level of ₹2000 to ₹1000.

Comments of stakeholders seeking modifications to the Principal Regulations other than those proposed in the draft amendments

8. Regulation 15: Curtailment in case of transmission constraints

8.1 Stakeholders' comments:

8.1.1 POSOCO has submitted that as per Clause (1) of Regulation 15 of the Principal Regulations, bilateral transactions are curtailed before collective transactions. On some of the corridors like WR-SR or WR-NR, quantum of STOA bilateral transaction is negligible as LTA/MTOA is close to ATC. Sometimes margin on these corridors becomes available due to non-availability of units and the margin is allocated to Power Exchanges. In case of outage of lines on these corridors, Power Exchange transactions would have to be curtailed, as the same has lower priority than MTOA/LTA and there are no bilateral transactions left to be curtailed. POSOCO has submitted that in case of curtailment of collective transactions due to congestion in inter-regional corridor, it is difficult to curtail sellers in the up-stream regions and buyers in the downstream regions as there is no 'one to one' transaction. Further, a large number of buyers/sellers would have to be curtailed. POSOCO has therefore suggested that the priority of curtailment of transactions in case of constraints may be reviewed by the Commission, for smooth system operation and Power Exchange transactions may be curtailed after curtailing other transactions.

9. Regulation 16: Transmission Charges

9.1 Stakeholders' comments:

9.1.1 IEX has submitted that as clause (2) of Regulation 16 of the Principal Regulations currently STU Charges and other charges related to State are applied at quantity scheduled at Regional Periphery which is not clear in the present Regulations. Therefore, clarification may be incorporated in the Regulations that STU charges shall be applied on the energy approved at Regional Periphery.

9.1.2 POSOCO has submitted that there are disagreements among SLDCs and RLDCs on the date of implementation of STU rate for inter-State STOA transactions and on applying STU charges on approved quantum/reserved capacity. Therefore, POSOCO has suggested that the third proviso to Clause (2) of Regulation 16.3 of the Principal Regulations may be amended as follows:

“Provided also that the transmission charges payable for use of the State network shall be conveyed by the State Load Despatch Centre to the concerned Regional Load Despatch Centre. The new rate shall be applicable from the next day of receipt of communication from the concerned SLDC, till then the existing rate for the previous Financial Year shall be applied provided it is already declared by the concerned SERC, otherwise ₹80/MWh shall be applied.”

POSOCO has further submitted that STU rate is sought to be levied on the quantum for which NOC has been issued for the respective entity. The Commission may reiterate that STU rate shall be applied on the approved energy/scheduled energy in case of inter-State open access transactions as per provisions of the STOA Regulations.

10. Regulation 18: Payment of transmission charges and operating charges

10.1 Stakeholders' comments:

10.1.1 POSOCO has submitted that as per the Principal Regulations, RLDCs administer a single window clearance for bilateral transactions. In case of the bilateral transactions, the applicants are required to deposit transmission and operating charges within three working days of grant of application. NDLC is the Nodal agency for collective transactions and Power Exchanges are required to deposit the charges on next working day. The open access charges so collected are invested in flexi deposits with Bank. As a result, interest is accrued in RLDCs/NLDC bank

account. The interest accrued in open access bank accounts is being treated as POSOCO's income and the same is being transferred to LDC development fund as per Regulation 9(2) of RLDC Fees and Charges Regulations 2009. In this regard, NLDC vide letter dated 18.10.2013 has brought this issue to the notice of the Commission and sought advice of the Commission on treatment of interest income. The Commission may specify the methodology of treatment of the accrued interest in the Open Access Regulations.

11. Regulation 25: Collection and Disbursement of Transmission Charges and Operating Charges

11.1 Stakeholders' comments:

11.1.1 POSOCO has proposed introduction of a new sub-clause on reconciliation of disbursement with open access customers, SLDC, STU, CTU. POSOCO has submitted that the charges collected and disbursed by NLDC/RLDCs need to be reconciled with the applicants/STU/SLDC. Presently, there is no provision in the Open Access Regulation based on which the RLDCs/NLDC can insist for reconciliation with the applicants/beneficiaries. This will avoid dispute at a later date, on issues like STU/SLDC rates and the charges applied and collected thereof. Therefore, POSOCO has suggested introduction of a provision in the regulations to ensure reconciliation at least on quarterly basis.

12. We have considered the submissions made by POSOCO and IEX regarding amendments/modifications to Regulation 15, 16, 18 and 25 of the Principal Regulations. Since the suggested amendments to Regulation 15, 16, 18 and 25 of the Principal Regulations were not part of the draft regulations, the suggestions of IEX and POSOCO with regard to these regulations have not been considered.

sd/-

(A. S. Bakshi)
Member

sd/-

(A.K. Singhal)
Member

sd/-

(Gireesh B. Pradhan)
Chairperson