

## DRAFT

### TELANGANA STATE ELECTRICITY REGULATORY COMMISSION

[Regulation No. .... of 2016]

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

##### INTRODUCTION:

In terms of Annexure-2 as stipulated vide Clause 12.1 of the APERC (Terms and Conditions of Open Access) Regulation, 2005 (No.2 of 2005), as adopted by TSERC vide Regulation No 1 of 2014, suggested essential features of Open Access Agreement 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 Open Access user and the Transmission or Distribution Licensee.

Consequent upon promulgation of the Telangana Solar Power Policy 2015, the Second Amendment to (Interim Balancing and Settlement Code for Open Access Transactions) Regulation No. 2 of 2006 i.e., Terms and Conditions for Banking facility allowed to Wind, Solar and Mini-Hydel Power Generation which were added under Appendix-3 of the regulation needs to be amended.

To facilitate accounting of energy for banking by generating companies (having captive consumers), who have no Open Access Agreement with the licensees and having connection agreement only, a separate agreement is required by amendment/addition to the said Terms and Conditions for Banking facility.

In exercise of the powers conferred with it under Section 181 read with Sections 86 (1)(e), 66 and 94 (2) 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 said Regulation No.2 of 2006, 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, 2016.
- (b) This Regulation shall extend to the whole of Telangana State.
- (c) This Regulation shall come into force on the date of its publication in the Telangana Gazette.

##### 2. EXTENT OF APPLICATION

This Third Amendment to the Interim Balancing & Settlement Code set out in this Regulation shall apply to Open Access Generators, Scheduled Consumers and

OA Consumers and generating companies (having captive consumers), who have 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:

To facilitate accounting of energy for banking by generating companies (having captive consumers), who have no Open Access Agreement with the licensees and having connection agreement only, a separate agreement to be known as “Banking Agreement”, which shall contain all relevant clauses of Banking of energy including terms and conditions under APPENDIX-3, has to be entered into by the Distribution and Retail Supply licensees with such generating companies.

4. The Appendix-3 in the Principle Regulation as amended 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 of 100% of energy shall be permitted for all Captive and Open Access/ Scheduled consumers during all 12 months of the year.
2. 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 1<sup>st</sup> day of April of a year to the 31<sup>st</sup> March of the subsequent year.
4. Banked units cannot be consumed/redeemed in the peak months (i.e., from 1<sup>st</sup> April to 30<sup>th</sup> June and 1<sup>st</sup> February to the 31<sup>st</sup> March of the banking year under consideration) and also in the peak hours (6 pm to 10 pm).
5. The provisions on banking pertaining to drawl restrictions shall be reviewed based on the power supply position of the State.
6. For captive/ third party sale, energy injected into the grid from date of synchronization to open access approval date will be considered as deemed energy banked.
7. 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 year.
8. For sale to DISCOMS, 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 with DISCOMS.

By Order of the Commission

Sd/-

**Commission Secretary**