

MADHYA PRADESH ELECTRICITY REGULATORY COMMISSION

BHOPAL

DRAFT NOTIFICATION

Date.....

In exercise of the powers conferred under section 181 of the Electricity Act, 2003 (36 of 2003), read with section 42, section 61 and section 86 thereof and all other powers enabling it in this behalf, and after previous publication, the Madhya Pradesh State Electricity Regulatory Commission hereby makes the following Regulations, namely-

**MADHYA PRADESH ELECTRICITY REGULATORY COMMISSION REGULATION
ON METHODOLOGY FOR CALCULATION OF OPEN ACCESS CHARGES AND
BANKING CHARGES REGULATIONS, 2023 FOR GREEN ENERGY OPEN ACCESS
CONSUMERS**

Short Title and Commencement-

- 1.1. These Regulations shall be called Madhya Pradesh Electricity Regulatory Commission (Methodology for determination of Open Access charges and Banking charges for Green Energy Open Access consumers) Regulations 2023.
- 1.2. These Regulations shall come into force from the date of their publication in the Madhya Pradesh Gazette.
- 1.3. These Regulations shall extend to the whole of the State of Madhya Pradesh.

1. Objective

The objective of these regulations is to provide a methodology for the determination of Open Access charges and Banking charges for Green Energy Open Access consumers.

2. Definitions

- (1) In these regulations, unless the context otherwise requires,
 - (a) "Act" means the Electricity Act, 2003 (36 of 2003);
 - (b) 'Banking' means the surplus green energy injected in the grid and credited with the distribution licensee energy by the Green Energy Open Access consumers and which can be drawn along with charges to compensate additional cost if any.
 - (c) 'Central Commission' means the Central Electricity Regulatory Commission referred to in sub-section (1) of Section 76 of the Act;
 - (d) "Central Nodal Agency" means a Central Nodal Agency as notified by the Central Government to set up and operate a single window green energy open access system for renewable energy;
 - (e) "Commission" means the Madhya Pradesh State Electricity Regulatory Commission constituted under the Act;
 - (f) "Day Ahead Market (DAM)" means a market where Day Ahead Contracts are transacted on the Power Exchange(s);
 - (g) "Fossil Fuel" means fuels such as coal, lignite, gas, liquid fuel or combination of these as its primary source of energy, which are used in Thermal Generating Station for generating electricity;
 - (h) "Green Energy" means the electrical energy from renewable sources of energy including hydro and storage (if the storage uses renewable energy) or any other technology as may be notified by the Government of India from time to time and shall also include any mechanism that utilises green energy to replace fossil fuels including production of green hydrogen or green ammonia as per provision of clause G of sub-rule (2) of rule 4 of Green Energy Open Access Rules, 2022;
 - (i) "Green Energy Open Access Consumer" means any person who has contracted demand or sanctioned load of 100 kW or more or such other limit as may be specified by Commission from time to time with the

distribution licensee, except for captive consumers, who are supplied with electricity from green energy sources for their own use by a licensee or the Government or by any other person engaged in the business of supplying electricity to the public under this Act or any other law for the time being in force and includes any person whose premises are for the time being connected for the purpose of receiving green energy with the works of a licensee, the Government or such person, as the case may be.

(j) “Rules” means the Electricity (Promoting Renewable Energy Through Green Energy Open Access) Rules, 2022 and subsequent amendments;

(k) “Renewable energy sources” means the hydro, wind, solar, bio-mass, bio-fuel, bio-gas, waste including municipal and solid waste, geothermal, tidal, forms of oceanic energy, or combination thereof, with or without storage and such other sources as may be notified by the Central Government from time to time;

(l) “Standby charges” means the charges applicable to green energy open access consumers against the standby arrangement provided by the distribution licensee, in case such green energy open access consumer is unable to procure/schedule power from the generating sources with whom they have the agreements to procure power due to outages of generator, transmission systems and the like;

(2) Words and expressions used and not defined in these regulations but defined in the Act, Indian Electricity Grid Code (IEGC), Madhya Pradesh Electricity Grid Code (MPEGC) or any other regulation of the Appropriate Commission shall have the meaning assigned to them under the Act or the IEGC or the MPEGC or any other regulation of the Commission as the case may be.

3. Scope

These regulations shall be applicable for allowing Open Access to electricity generated

from renewable energy sources as defined under clause (1) (k) of Regulation 2 of these Regulations.

CHAPTER 2

GREEN ENERGY OPEN ACCESS CHARGES

4. Charges for Green Energy Open Access

The charges on Green Energy Open Access consumers shall be as follows: -

- a. Transmission charges;
- b. Wheeling charges;
- c. Cross subsidy Surcharge;
- d. Additional surcharge
- e. Applicable scheduling Fees/ Charges of SLDC/ RLDC and DSM Deviation charges as per the relevant regulations of the Appropriate Commission.
- f. Standby charges wherever applicable;
- g. Banking Charge;
- h. Statutory Charges levied by State / Central Government including State/ Central taxes

5. Transmission Charges

- a) For use of inter-State transmission system:** As specified by the Central Electricity Regulatory Commission (CERC) from time to time.
- b) For use of intra-State transmission system:** As specified by Commission in MYT Transmission Tariff Orders of MPERC as amended from time to time.

Provided that, where a dedicated transmission system for open access has been constructed / used for exclusive use of an open access consumer, the transmission charges for such dedicated system shall be worked out by

transmission licensee and shall get the same approved from the Commission. The charges shall be borne entirely by such open access consumer till such time its surplus capacity is allotted and used for / by other persons or purposes.

Provided further that in addition to Transmission Charge, Intra-State Transmission loss shall be applicable to consumers seeking Green Energy Open Access as may be determined and notified by MP SLDC from time to time in accordance with applicable regulations.

- 6. Wheeling Charges:** As specified by the Commission in Retail Supply Tariff order issued from time to time.

Provided that, where a dedicated distribution system for open access has been constructed / used for exclusive use of an open access consumer, the wheeling charges for such dedicated system shall be worked out by distribution licensee and shall get the same approved by the Commission. Such charges shall be borne entirely by such open access consumer till such time the surplus capacity is allotted and used for / by other persons:

Provided further that in addition to Wheeling Charge, Wheeling Loss shall be applicable to consumers seeking Green Energy Open Access as per the Retail Supply Tariff order of the Commission issued from time to time.

- 7. Cross subsidy surcharge-** As specified by the Commission in its Retail Supply Tariff order from time to time.

a) Green energy open access consumer, in addition to transmission and wheeling charges, shall pay applicable cross subsidy surcharge determined by the Commission in Retail Supply Tariff order from time to time on the actual energy drawn during the month through open access. The amount of surcharge shall be paid to the distribution licensee of the area of supply from whom the consumer was availing supply before seeking open access.

Provided further that such cross-subsidy surcharge shall not be levied in

case a person who is availing green power from the plant established as captive generation plant for his own use;

Provided also that cross subsidy surcharge shall not be applicable in case Green Energy Open Access Consumer is availing power from a non-fossil fuel-based Waste-to-Energy Plant.

Provided also that the cross-subsidy surcharge shall not be applicable if green energy drawn through green energy open access is utilised for production of green hydrogen and green ammonia.

8. **Additional Surcharge-** As specified by the Commission in its Retail Supply Tariff order from time to time.

a) Green Energy Open Access consumer, in addition to in addition to transmission, wheeling charges and cross subsidy surcharge, shall pay additional surcharge determined by the Commission in Retail Supply Tariff order from time to time on the actual energy drawn during the month through open access. The amount of additional surcharge shall be paid to the distribution licensee of the area of supply from whom the consumer was availing supply before seeking open access.

Provided further that such additional surcharge shall not be levied in case a person who is availing green power from the plant established as captive generation plant for his own use;

Provided also that additional surcharge shall not be applicable in case Green Energy Open Access Consumer is availing power from a non-fossil fuel-based Waste-to-Energy Plant.

Provided also that the additional surcharge shall not be applicable if green energy drawn through green energy open access is utilised for production of green hydrogen and green ammonia.

9. **Standby Facility and Charges-** As specified by the Commission in its Retail Supply Tariff order from time to time.

- a) In case the green energy open access consumer is unable to procure/schedule power from the generating sources with whom they have the agreements to procure power due to outages of generator, transmission systems and the like, standby arrangement shall be provided to Green Energy Open Access consumer by the distribution licensee of the area of its supply.
- b) The Standby Charges for Green Energy Open Access for such standby arrangement shall be 125% of normal tariff of the consumer category:

Provided that such Standby Charges shall not be applicable if the Green Energy Open Access Consumers have given notice, at least a day in advance before gate closure in Day Ahead Market (DAM) on 'D-1' day, 'D' being the day of delivery of power, for standby arrangement to the distribution licensee.

- c) The Standby Charges for Green Energy Open Access shall be computed by the Commission in its retail supply tariff orders issued from time to time and it shall be charged on the actual energy drawn during the period of standby availed by Green Energy Open Access consumer from distribution licensee in case of outage of RE generator, transmission systems and the like.

10. Banking Facility and Charges

- a) Banking facility shall be provided to the consumers availing Green Energy Open Access. The surplus energy of a green energy open access consumer, from a 'Green Energy' Generating Station, after own consumption in its premises, may be banked with the Distribution Licensee.
- b) The banking facility including injection of surplus energy and drawal of banked energy shall be subject to scheduling.
- c) The Banking Charges shall be adjusted in kind @ 8% of the total energy banked.
- a) The permitted quantum of banked energy by the Green Energy Open Access consumers shall be at least thirty percent of the total monthly consumption of

electricity from the distribution licensee by the consumers.

- b) The Banking shall be permitted at least on a monthly basis on payment of banking charges to the distribution licensee.

Provided that the credit for banked energy shall not be permitted to be carried forward to subsequent months and the credit for energy banked during the month shall be adjusted during the same month as per the energy injected in the respective Time of Day ('TOD') slots determined by the Commission in its Orders determining the tariff of the Distribution Licensee.

Provided further that, the energy banked during peak TOD slots shall be permitted to draw during peak as well as off-peak TOD slot in 15 minutes time block and the energy banked during off-peak TOD slots shall be permitted to be drawn only during off-peak TOD slot in 15 minutes time block by paying the banking charges.

Provided further that the licensee shall reconcile the banking charges recovered as mentioned in clause 10 (c) above at the end of each financial year on the basis of actual cost of power purchase arranged by the licensee to return banked energy and claim additional expenses , if any , in truing up petition of Retail Supply Tariff of subsequent financial year.

- c) The un-utilised surplus banked energy at the end of the month shall be considered as lapsed at the end of each month:

Provided that, the RE Generating Station would be entitled to Renewable Energy Certificates to that extent.

11. Other Charges

In addition to above charges, the consumer availing Green Energy Open Access shall also pay the following charges determined by the Commission as per the provisions of the relevant regulations of the Appropriate Commission:

- a) Applicable SLDC fees and charges

b) Scheduling charges

c) RE Deviation Settlement Charges (RE-DSM)

12. **Statutory Charges-** Charges levied by State Government and applicable State/ Central taxes Shall be applicable as per extant policies of State/ Central Governments.

CHAPTER 3 MISCELLANEOUS

13. **Power to give directions.**

The Commission may from time to time issue such directions and orders as considered appropriate for implementation of these Regulations.

14. **Power to relax.**

The Commission may by general or special order, for reasons to be recorded in writing, and after giving an opportunity of hearing to the parties likely to be affected, may relax any of the provisions of these Regulations on its own motion or on an application made before it by an interested person.

15. **Power to amend.**

The Commission may from time to time add, vary, alter, suspend, modify, amend, or repeal any provisions of these Regulations.

16. **Power to remove difficulties.**

If any difficulty arises in giving effect to the provisions of these Regulations, the Commission may, by an order, make such provisions, not inconsistent to the provision of the Act and these Regulations, as may appear to be necessary for removing the difficulty.

(Secretary)