

CENTRAL ELECTRICITY REGULATORY COMMISSION

NEW DELHI

Petition No. 17/SM/2023

Coram:

Shri Jishnu Barua, Chairperson

Shri I.S. Jha, Member

Shri Arun Goyal, Member

Shri P.K. Singh, Member

Date of Order: 30.11.2023

In the matter of:

Removal of Difficulties for Recovery of Fee and Charges of Load Despatch Centre (LDC) charges in pursuance of the provisions of the Central Electricity Regulatory Commission (Fees and Charges of Regional Load Despatch Centre and other related matters) Regulations, 2019.

ORDER

CERC (Fees and Charges of Regional Load Despatch Centre and other related matters) Regulations, 2019 ('hereinafter 'RLDC Fee & Charges Regulations') were notified on 21st May, 2019.

2. Grid-India vide letter dated 07.11.2023 has submitted that with the implementation of the CERC (Connectivity and General Network Access to the inter-State Transmission System) Regulations, 2022 with effect from 1.10.2023, the monthly LDC charges for distribution licensees and buyers may be calculated on the basis of the GNA for the respective distribution licensees and buyers in place of prevailing, contracted capacity of Long term Access and Medium term open access. Grid-India has requested to issue directions under Removal of Difficulty for the balance period of applicability of the current RLDC Fees and Charges Regulations.
3. We have considered the submissions of the Grid-India. Regulation 3(12) and Regulation 30 of the RLDC Fee & Charges Regulations provides as under:

"3(12) 'Contracted Capacity' means the capacity arranged through long term access or medium term open access;



.....

30. *Monthly LDC Charges: The monthly LDC charges shall be calculated for the inter-State transmission licensees, generating stations and sellers, distribution licensees and buyers as under:*

(a) The LDC Charges for inter-State transmission licensees shall be determined on the basis of (1/3) of approved annual charges and shall be worked out on the basis of the circuit kilometers (ckt-km) of the lines owned by inter-State transmission licensees;

(b) The LDC Charges for the inter-State Generating station and sellers shall be determined on the basis of (1/3) of annual LDC charges and shall be worked out on the basis of installed capacity in case of the generating station and long term and / or medium term contracted capacity in case of sellers;

(c) The LDC Charges for the distribution licensees and buyers shall be determined on the basis of (1/3) of annual charges and shall be worked out on the basis of sum of aggregate allocated capacity and / or contracted capacities in case of distribution licensee including deemed distribution licensees and sum of long term and / or medium term contracted capacity in case of buyer.”

As per the above, LDC Charges are to be worked out on the basis of the sum of aggregate allocated capacity and / or contracted capacities in the case of distribution licensees and the sum of long term and / or medium term contracted capacity in the case of buyers. It is also observed that reference to aggregate allocated capacity or long term and medium term contracted capacity has also been made under other clauses of the RLDC Fee & Charges Regulations.

4. Regulation 28 of the CERC (Grant of Connectivity, Long-term Access and Medium-term Open Access in inter-State Transmission and related matters) Regulations, 2009 ('hereinafter 'Connectivity Regulations, 2009') provides as under:

“(1) The fees and charges for the Regional Load Despatch Centre including charges for the Unified Load Despatch and Communication Scheme shall be payable by the long-term customer and medium-term customer as may be specified by the Commission.

..”

As per the above, LDC Charges were payable by the long-term customers and medium-term customers.

5. GNA Regulations were notified on 7th June 2022 and have come into effect from 01.10.2023, and Connectivity Regulations,2009 have been repealed with effect from 1.10.2023. After the implementation of the GNA Regulations, the terms 'long term access', and 'medium term open access' have been replaced by GNA quantum. Thus, after the repeal of Connectivity Regulations,2009, computation of LDC Charges based on long term access and medium term open access is not appropriate.



6. Regulation 40.3 of the GNA Regulations provides as under:

“40.3 The fees and charges for National Load Despatch Centre, Regional Load Despatch Centres (including the charges for Unified Load Despatch Scheme) and State Load Despatch Centres shall be payable by the GNA grantees as per the applicable Regulations.”

As per the above, in accordance with the GNA Regulations LDC charges shall be payable by the GNA grantees.

Directions under Power to Remove Difficulty

7. Regulation 40 of the RLDC Fee & Charges Regulations vests the Commission with the power to remove difficulty under certain circumstances. Regulation 40 of the RLDC Fee & Charges Regulations is extracted as below:

“40. Power to Remove Difficulty: If any difficulty arises in giving effect to the provisions of these regulations, the Commission may, by order, make such provision not inconsistent with the provisions of the Act or provisions of any other regulations specified by the Commission, as may appear to be necessary for removing the difficulty in giving effect to the objectives of these regulations.”

8. Considering the difficulties raised by Grid-India in the computation of monthly LDC charges under the RLDC Fee & Charges Regulations after implementation of the GNA Regulations, in the exercise of our powers under Regulation 40 of the RLDC Fee & Charges Regulations, we hereby direct that LDC charges for distribution licensees, buyers and sellers shall be calculated on the basis of their GNA quantum under clauses (b) and (c) of Regulation 30 and Regulation 31 of the RLDC Fee and Charges Regulations. The calculation of LDC charges for inter-State transmission licensees and generating stations shall continue to be carried out in terms of clauses (a) and (b) of Regulation 30 of the RLDC Fee and Charges Regulations.

9. Accordingly, Petition No. 17/SM/2023 is disposed of in terms of the above.

Sd/
(P.K. Singh)
Member

Sd/
(Arun Goyal)
Member

Sd/
(I. S. Jha)
Member

Sd/
(Jishnu Barua)
Chairperson

