



TAMIL NADU ELECTRICITY CONSUMERS' ASSOCIATION

Regd. No. 181-8524/1998 – **CIN.No.** U37102TZ1998GAP008524

1st Floor, SIEMA Building, 8/4, Race Course, Coimbatore - 641 018

Phone: (0422) 4351400 Mobile No. 9787299000 E-mail: teca@tecaonline.in

Web: www.tecaonline.in

TECA 2024-25: CIR/20
August 13,2024

To
All Members

Dear All,

Sub: MP No. 23 of 2024-Adjustment of Renewable Energy through Open Access in 15 Minutes Time Block-TNERC passed the Order Regarding.

Ref: 1. The Order of TNERC in MP No. 23 of 2024 dated 13.08.2024.

The TANGEDCO has filed a Petition in MP No. 23 of 2024, seeking to approve the procedure of adjustment of energy purchased / wheeled by the HT consumers under various open access sources by virtue of DSM Regulations with effect from 01.04.2024. This Petition accordingly aimed to levy DSM Charges on the deviations if any found in the adjustment of Renewable Energy under 15 minutes' time block at the consumption end compared with the generation at the generation end in the same 15 minutes time block.

On hearing the matter first, the Commission has directed to call for the comments from all the Stakeholders and accordingly, the Stakeholders have filed their comments including TECA. After reviewing the comments, the Commission has passed the following order in the matter on 13.08.2024 and the operative portions of the order are as follows:

"3.4. Accordingly, commission decides the following methodology for block-to-block adjustment of energy between the ends of the generation and consumption:

3.4.1. The energy accounting shall be done in 15 minutes time block basis for Open Access energy accounting purpose. Block wise / Day wise generation / purchase shall be adjusted against the same Block wise / Day wise consumption



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3.4.2. The surplus energy, if any, available after adjustment in the respective same 15 minutes time block basis, shall be considered as banked energy, along with the banking charges in force and excess consumption over and above the actual injection of energy will be charged at the tariff applicable to the consumer subject to the terms and conditions of supply.

3.4.3. The banking of energy shall be evaluated for energy accounting on 15 minutes time block basis. The positive difference between the injected energy from Wind / Solar generator available at consumption point (excluding losses in kind) and consumer's consumption in same 15 minutes time block basis on the same day shall be considered as banked energy and this banked energy shall be permitted to be consumed on banking cycle basis.

3.4.4. Energy banked can be adjusted during any block period other than peak hour blocks during the banking cycle. In the case of the Pumped Storage System / Battery Energy Storage System (BESS), energy injected can be adjusted in any time block including peak hour blocks.

3.4.5. This order will be applicable with effect from 01-04-2024 as per the TNERC (Forecasting, Scheduling and Deviation Settlement and related matters for Wind and Solar Generation) Regulations, 2024. Commission also directs that the billing software for adjustment of energy at the consumer end **for block wise/day wise generation against block wise/day wise consumption shall be made ready within 6 months from the date of issue of this order. Till such time, adjustment of energy at the consumer end shall be made as per the relevant tariff orders issued by the Commission from time to time."**

"3.5. The second question arises for consideration is whether the banking period be allowed one year for the Wind Energy Generators irrespective of the year of commissioning?

3.5.1. The Commission in its order No. 8 of 2020 dated 07-10-2020 issued for procurement of wind power and related issues had decided to allow the banking period of 12 months (from 1st April to 31st March) for the WEGs commissioned on or before 31-03-2018 along with the banking charges of 14% in kind. For the WEGs commissioned on or after 01-04-2018 under normal or under REC scheme, the facility of banking of energy shall be for a period of one month and there shall be no banking charges. Further, the Commission had decided that there shall be no facility of banking of energy for 3rd party power purchase."

Summarizing the above, Commission decides the following in respect of the banking provision:

(i) In view of the APTEL order, Commission refrain from passing any order on banking period in respect of the WEGs and directs status quo shall be maintained in respect of banking period for WEGs. Regarding solar generation, the banking period is continued to be one month billing period without any banking charges till



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banking charges are fixed by the Commission under proposed Green Energy Open Access (GEOA) Regulations.

(ii) In respect of Solar generation, 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 block. As stated already, energy banked can be adjusted during any block period other than peak hour blocks during the banking cycle. In the case of the Pumped Storage System/Battery Energy Storage System (BESS), energy injected can be adjusted in any time block including peak hour blocks.

(iii) The un-utilised surplus banked energy at the end of the banking cycle shall be sold to the Distribution Licensee at the rate of 75% of respective RE tariffs applicable as per the orders of the Commission and where no tariff is determined, at 75% of the latest discovered bid tariff, for normal RE generators. If there are more than one tariffs discovered through bidding process, the weighted average tariff shall be considered for payment. For the RE generators under REC scheme, the excess generation/unutilized banked energy at the end of the banking cycle may be encashed at the rate of 75% of the Average Pooled Cost of Power Purchase (APPC) for the respective financial year notified by the Commission under the TNERC (Renewable Energy Purchase Obligations) Regulations. When the Average Pooled cost of Power Purchase (APPC) of the Distribution Licensee exceeds the preferential rate fixed by the Commission to that category/sub-category of RE generators for the corresponding year, 75% of the preferential tariff rate fixed by the Commission for the respective year of commissioning of RE generators shall be paid.”

From the above extracted portion of the order of the Commission, the gist of the order is as below:

i) The DSM Regulations will apply on Renewable Power, which now obligates to consume the Renewable Power generated in a particular block of 15 minutes at the generation end, for consumption at the same 15 minutes block at the consumption end. ii) If the quantum of energy generated at a particular 15 minutes time block, is more than the consumption, in a particular time block of the same 15 minutes, the excess energy will be treated as banked and is eligible for adjustment against other blocks / banking cycle, subject to the same banking charges as prevailing now. iii) If the quantum of energy generated at a particular 15 minutes time block, is less than the consumption, in a particular time block of the same 15 minutes, the energy in short, will be charged at the tariff applicable to the consumer subject to the terms and conditions of supply. iv) The annual banking system is not any way disturbed in any manner for WEGs commissioned before 01.04.2018. However, the WEGs commissioned after 01.04.2018 and all the Solar Power Generators would be eligible only for one month banking only as



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per the practice presently available. v) This system, even though comes in to effect from 01.04.2024 onwards, for want of making changes in the software, the Commission has allowed six months' time from the date of the order (i.e.) six months from 13.08.2024 onwards to implement the system.

Therefore, this order will be largely applicable to all Renewable Power and hence, those members who are having 100% owned WEGs / SPGs or buying the Open Access Power, from RE Sources, can plan accordingly and they can keep themselves ready for the DSM Charges, within the expiry of next six months, as allowed, as a cooling period to implement this order.

With Warm Regards,

N Pradeep
President