



TAMIL NADU ELECTRICITY CONSUMERS' ASSOCIATION

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

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TECA:2022-23:CIR/70
25 February 2023

To All Members

CIRCULAR

Dear Members,

Sub: ***Levy of Additional Surcharge on the energy sourced through Exchanges / Third Parties- TNERC Order passed***

Ref: ***The Order of the TNERC dated 24.02.2023 in M.P. No. 41 of 2022.***

As informed through WhatsApp Group TNERC has passed the above referred Order. Accordingly, the TNERC has provided its approval to the TANGEDCO, to collect the Additional Surcharge on the energy sourced through Exchanges / Third Parties with effect from 25.02.2023 to 31.03.2023 @ 83 paise / Unit. We are enclosing the copy of TNERC Order for your reference.

The Operative Portion of the Order is as below.

"6. The Applicability of Additional Surcharge:

6.1. In view of the above findings, the Commission hereby directs the petitioner.

(i) to collect the Additional Surcharge at the rate of Re.0.83 per Unit from the Open Access consumers on the quantum of the electricity actually drawn by the OA consumer.

(ii) The additional surcharge of Re.0.83 per kWh is collectable by the petitioner for the "Open Access" (OA) drawn from 25.02.2023 to 31.03.2023. Though the petitioner has claimed to charge the additional surcharge from 01.10.2022 to 31.03.2023 in its petition, the Commission is not inclined to levy such surcharge retrospectively duly considering the dynamic transactions held by OA consumers taking into account of the prevailing OA charges at that time.

(iii) The Additional Surcharge as determined under the Table-3 above is applicable to the Open Access consumers who purchase the power through 3rd party Sale and power exchanges (viz., IEX, PXI, etc.,)

6.2. As the methodology and formulae of determination of Additional Surcharge has already approved by the Commission in earlier Orders taking into



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account of sufficient comments obtained from the stakeholders and the methodology has also been upheld by Hon'ble APTEL in the judgment of A.No.177 of 2021 dated 15.11.2021, the matter can said to have reached finality. Therefore, in this regard, the rate of Additional surcharge, for subsequent period shall be determined based on the block-wise six monthly data furnished by the licensee.

- 6.3. Further, the Commission hereby directs the petitioner to file the petition for determination of the Additional Surcharge on six monthly basis in future under 24(3) of the TNERC Grid Connectivity and Intra State Open Access Regulations, well in advance, even though no stranded capacity was identified during a set of six months period. 15 minutes Block wise data in respect of the power scheduled by Open access consumers shall be filed by the petitioner in respect of both Renewable & Non-Renewable energy along with the petition."

Hence, those members sourcing power from Power Exchanges and Third Party are requested to take note of the Additional Surcharge Component also in to consideration before they decide to source power from such routes.

Now the Commission itself has directed the TANGEDCO to file petition for fixing the Additional Surcharge on a 6 month basis regularly. Hence we expect that the levy of Additional Surcharge would continue as such either in the same rate or in a different rate, during all future periods of each 6 months block.

Members please note that the Electricity (Amendment) Rules 2023 is attempted to be brought-in by the Ministry of Power and already comments have been called for and the matter is waiting for a Gazette Notification. We hope that once it comes in to force, levy of Additional Surcharge may not happen on the renewable power sourced through Open Access. However, it has to be only wait and seen. We will update the same once this Notification will issue.

With Warm Regards

N. Pradeep

President

Please find the attachment in Encyclopaedia of our website.