



**TAMIL NADU ELECTRICITY CONSUMERS' ASSOCIATION**

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

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

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TECA: CIR/2020-21/145

30.05.2020

To

All Members

Sir,

Sub: Purchase of Inter State Power from Energy Exchanges including IEX-TANTRANSCO brings in new restrictions-Regarding.

Ref:

1. Our WhatsApp message dated 15.05.2020.
2. The letter of CE/Grid Operation/SLDC, TANTRANSCO in Lr.No.CE/GO/SLDC/SE/OA&CO /EE/ABT/AEE2/F.Exchange /D 54, dated 27.05.2020 sent to all SEs.
3. Our WhatsApp message dated 29.05.2020.

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We have already alerted our members through our WhatsApp message 1st cited above that based on the instigation of few Thermal Power Generators, the TANTRANSCO is instigated to curtail the Consumers, from availing power from Exchanges including IEX through Inter-State route.

On the same lines, now the TANTRANSCO has instructed all the SEs, not to issue any NOC in usual manner, if the quantum the consumers avail is less than 1 MW, by quoting the statutory provision under Section 42(2) of Electricity Act 2003. Earlier, the NOC was issued for 1 MW and however, consumers were availing power even for less than 1 MW. It is learnt that the TANTRANSCO has already filed a Petition before the Hon'ble TNERC, to bring the other two restrictions to increase the capacity from 1 MW / 1112 KVA to 1250 KVA, to avail the Inter State Power and to implement the scheme of 15 minutes' time slot adjustment mechanism, when any consumer opts to go for Exchange Power.

Such a proposal is seen retrograde when the TANTRANSCO is not minding to forego its realization of receiving Rs.1.67 / Unit, as CSS on IEX power purchases. This will encourage only the CGP system and accordingly, again such consumers availing CGP power, would be put in to the trap of cross subsidy, when the CGP norms are not complied either by the Generator or by the Captive User. When the said petition of TANTRANSCO is getting numbered and listed for hearing, as an Association of consumers, TASMA, TECA would intervene and make counter submissions, as to why availing of Exchange Power should not be restricted. While the Energy Exchanges are coming with a proposal of "an hour ahead" bidding from 01.06.2020 onwards, bringing unnecessary restrictions to source power from Energy Exchanges, is a retrograde approach and both TANTRANSCO and TANGEDCO are always indulging in such retrograde activities.



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This may lead to another round of litigation, while the issue of availing OA power is already seized before the Hon'ble Madurai High Court in the writ petition of TASMA in WP (MD) No. 19819 of 2019. TECA is monitoring the developments closely.

Further, all DISCOMs in India are buying power from Energy Exchanges because of the lower cost of power, for making profits for the DISCOM. At present, for the DISCOMs, the cost of power from Energy Exchange is at a maximum of Rs.2.50 / Unit. Whereas in Tamilnadu, the TANGEDCO is buying power from other sources other than Energy Exchanges by paying a cost ranging from Rs.3.25-Rs.4.00/Unit which adds to the cost on power to TANGEDCO.

This is a very sorry State of Affairs.

Thanking You,

With Regards,

Dr CB SENTHILKUMAR  
SECRETARY