

**TANGEDCO
(ACCOUNTS BRANCH)**

144,Anna Salai,
Chennai -2.

Memo.No. CFC/FC/DFC/AO.HT/AS.3/REV/D.NO. 290-1/16, dated. 03.10.2016

**Sub: Eley- Revision in Scheduling and System Operation Charges payable by the WEGs as per the Wind Energy Tariff Order No.3 dated.31.06.2016 -
With effect from 01.04.2016-Installments to pay the arrears - Orders Issued -
Reg**

**Ref: 1. The Comprehensive Tariff Order on Wind Energy of Hon'ble TNERC in Order No.3 of 2016 dated 31.03.2016.
2. The communication of CE NCES in No. Memo.No.CE/NCES/SE/EE/WPP/ AEE2/F.Order No.3, dt:31.03.2016/D.1553 /2016, dt:18.08.2016.
3. Our Review Petition pending before the Hon'ble TNERC in I.A.No. 1 of 2016 & R.P.No.1 of 2016.
4. Our representation to CMD, TANGEDCO dated 16.9.2016.**

In the letter dated.26.09.2016, the M/s. IWPA has stated as follows:

“ As per the Comprehensive Tariff Order on Wind Energy of the Hon'ble TNERC 1st cited above, inter alia, the Scheduling and System Operation Charges have been ordered to be collected at 40% of the conventional charges at Rs.800 / Machine/Day for Non REC machines with effect from 01.04.2016 irrespective of the capacity of the machine. Earlier, it was collected at the rate of Rs.600/2 MW/Day on a proportionate basis. Hence, we have already filed a Review Petition before the TNERC in view of the multifold burdening increase in charges in respect of small WEGs. In this regard, the Hon'ble TNERC has heard the matter on 02.06.2016 and it has to pass orders by admitting our petition. In the meanwhile, another Association has gone for an appeal before the APTEL also on various issues, including the escalated charges on Scheduling and System Operation.

2. Due to the working instructions provided by the Chief Engineer NCES as per the communication 2nd cited above, our members are facing huge demands from April 2016 to till date, which make them unable to pay the amount in a single payment. In view of the same and also as the clarification is to be finally issued by Hon'ble TNERC on the matter, we request that 6 installments may please be granted to pay the arrears of Scheduling and System Operation Charges in respect of both REC and Non REC machines and however, for the month of September 2016, it can be collected along with first installment and so on and

so forth. Considering the precarious situations, the industries are facing in Tamilnadu, we request you to kindly provide the installments as requested.

3. It has been stated in the E.Mail dated.29.09.2016, in continuation of their representation dated.26.09.2016. they wish to reiterate that the arrears of Scheduling System Operation charges from 01.04.2016 till 31.08.2016 need to be collected through a separate communication as per the provision under clause 13(2) of Tamilnadu Electricity Supply Code 2004.”

2. In this connection, all the Superintending Engineers of Distribution Circles are hereby informed as follows:

2.1. The Hon'ble Commission has issued Comprehensive Wind Energy Tariff Order No.3 dated.31.03.2016 wherein the Scheduling System Operation charges has been revised and refixed at 40% of the conventional charges. Further, in this connection, it is stated that the Hon'ble Commission has fixed Scheduling System Operation charges in the Order No.8 of 2014 dated. 11.12.2014, in respect of the conventional, at the rate of Rs.2000 per day per transaction for long term as well as short term open access customers. Hence, the Scheduling System Operation has to be collected from each WEG machine under preferential tariff/ REC at rate of Rs.800 per day/Rs.2000 per day, respectively from the month of 01.04.2016.

2.3. In this connection, IWPA has stated that their members are facing huge demands from April 2016 to till date, which make them unable to pay the amount in a single payment. In view of the same and also as the clarification is to be finally issued by Hon'ble TNERC on the matter, they request that 6 installments may please be granted to pay the arrears of Scheduling and System Operation Charges in respect of both REC and Non REC machines and however, for the month of September 2016, it can be collected along with first installment and so on and so forth.

2.4. In this connection, it is stated that the regulation 22(8) of TNE Supply Code specifies the provision of installment payment for the arrears. Based on said regulation, TANGEDCO issued memo vide Memo.CE/Comml/EE3/AEE2/F. Billing/2005 (Technical Branch) dated.18.01.2005, the relevant portion which held as follows:

“ XXX

It is instructed that whenever arrears arise due to revision of past bills/assessments for various reasons viz. defective meter, defective metering arrangements, incorrect application of tariff, wrong billing, revision of tariff etc payment in installment will be permitted.

Xxx ”

In accordance with the above, the WEG generators /HT consumers may be permitted to pay the Scheduling System Operation Charges in installments. To avail this facility, in accordance

with regulation 22(8), the WEG generators/HT consumers shall execute an undertaking in Form (5) in the Appendix to the TNE Supply Code.

2.5. Further, it is relevant to mention that the regulation 5 (4) (viii) specifies as follows:

5. Miscellaneous charges :

xxxx

(4). Belated Payment Surcharge [BPSC] :

xxxx

(viii). In case of short assessment permitted to be payable in installments, the Belated Payment Surcharge shall accrue only when there is default in the payment schedule and the surcharge shall be worked out from the day following the day on which installment fell due and shall be payable along with the amount of installment due.

Therefore, in case of short assessment permitted to be payable in installments, the Belated Payment Surcharge shall accrue only when there is default in the payment schedule. Further, the regulation 13(2) of TNE Supply Code specifies as follows:

13. Servicing of bills :

Xxx

2. For any arrears other than the regular current consumption bill, it is the Licensee's obligation to inform the consumer by a separate communication with details.

2.5. Under the said circumstances, all the Superintending Engineers/EDCs are hereby informed to collect the Scheduling System Operation charges from the month 01.04.2016 to 31.08.2016 in 2 installments by way of issuing separate communication, from WEG generators/HT consumers and however, Scheduling System Operation charges for the month of 09/2016 may be included in the regular C.C.bill.

[By Order of CMD]

Sd/-03.10.2016

Chief Financial Controller/Revenue
TANGEDCO

To

All the Superintending Engineers of Distribution Circles.

All the Chief Engineers/Distribution Region.

The Chief Internal Audit Officer/BOAB/Chennai.

The Chief Engineer/NCES/Chennai.

The Superintending Engineer/Chairman's Office.

The Deputy Chief Internal Audit Officers/Distribution Regions.

The Chief Financial Controller/TANTRANSCO.