

KARNATAKA ELECTRICITY REGULATORY COMMISSION

No. 16, C-1, Millers Tank Bed Area, Vasanthanagara,
Bengaluru, 560052, Karnataka, India

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Draft Karnataka Electricity Regulatory Commission (Terms and Conditions for Green Energy Open Access) (First Amendment) Regulations, 2024**PREAMBLE:**

The Commission, in exercise of the powers conferred under Section 86(1)(e), read with Sections 181, 39(2)(d), 40(c), 42(2,3), 86(1)(c) of the Electricity Act, 2003 and all other powers enabling in this behalf, had issued Regulations, namely the Karnataka Electricity Regulatory Commission (Terms and Conditions for Green Energy Open Access) Regulations, 2022, in line with the 'Electricity (Promoting Renewable Energy Through Green Energy Open Access) Rules 2022' issued by the MoP, which was published in the State Gazette on 19.01.2023.

The Commission in line with the Electricity (Promoting Renewable Energy Through Green Energy Open Access) Rules, 2022 issued by Ministry of Power (MoP) had issued Order dated 09.08.2023 to allow Consumers who have contracted demand or sanctioned load of Hundred kW or more, either through single connection or through multiple connections aggregating one hundred kW or more located in the same electricity division of a distribution licensee, to source power through Green Energy Open Access. Therefore, the definition of the Consumer under Regulation 1 (d) needs amendment. Similarly, keeping in view the Commission's Order dated 05.09.2024, Regulation 8.00 of GEOA Regulations needs amendment to include the Short Term Open Access.

Further, the Regulation 11 of the Karnataka Electricity Regulatory Commission (Terms and Conditions for Green Energy Open Access) Regulations, 2022, specify that the open access charges including Transmission Charges shall be determined by the Commission considering the methodology specified by Forum of Regulators (FoR),

in line with the Rule 12 of the 'Electricity (Promoting Renewable Energy through Green Energy Open Access) Rules 2022' (as amended from time to time). The Commission in its Order dated 08.06.2023 had issued clarification on various issues as the stakeholders had requested for providing clarification. Point-5 of the said Order states that, till the Commission adopts and determines the charges in accordance with the methodology specified by FoR, the KPTCL/SLDC/ESCOMs were directed to collect the Transmission Charges along with Transmission loss as determined by the Commission in its Tariff Orders, for all transactions coming under GEOA also.

The levy of Transmission Charges as per Point-5 of the Commission's Order dated 08.06.2023 is Challenged in Writ Petition Nos. 25422, 27505 /2023 and 204/2024 before the Hon'ble High Court of Karnataka. The Hon'ble High Court of Karnataka passed Orders on 13.02.2024 directing the Commission to determine the Transmission Charges in terms of the methodology specified by the FoR. The FoR has issued in April 2023, the Model Regulation on Methodology for calculation of Open Access charges and Banking charges for Green Energy Open Access Consumers. As such the Commission proposes to adopt the methodology specified by FoR for transmission charges for those seeking GEOA. Further, as per the amendment Rules, issued on 27.01.2023 by the MoP, in Rule-9, 'Other fees and charges' are also included. Hence, it is proposed to include the same.

The FoR, in its 92nd meeting, has recommended a common methodology for calculating Additional Surcharge and the same is proposed by inserting relevant clause.

The Commission in its Order dated 10.01.2024 has also notified the methodology of T.o.D settlement of banked energy and has allowed adjustment of energy banked during off-peak slot to peak slot by paying additional 2% banking charges. The Commission proposes not to allow adjustment of off-peak energy during peak hours, keeping in view the grid security issues. As such the Commission

proposes to remove the adjustment of banked energy during peak slots by suitably inserting the relevant clause.

Further, the Commission vide Order dated, 06.02.2024 has waived for LT consumers seeking OA the need for time differentiated measurement of parameters in the meter in 15-minutes' time blocks. As such suitable amendment is proposed to Regulation-15 (2).

In view of above, the Commission hereby proposes to amend the extant Regulations. As required under sub-section 3 of Section 181 of the Act, the draft of the amendment is hereby notified for information of all the persons likely to be affected and notice is hereby given that, the said draft will be taken into consideration after 30 days from the date of its publication in the official gazette. The stakeholders and interested persons may file their objections/suggestions/views on the proposed draft within 30 days from the date of publication to:

The Secretary,

Karnataka Electricity Regulatory Commission
No. 16, C-1, Millers Tank Bed Area, Vasanthanagara,
Bengaluru, 560052, Karnataka, India

DRAFT AMENDMENT

Short Title and Commencement: -

- i. These Regulations shall be called the Karnataka Electricity Regulatory Commission (Terms and Conditions for Green Energy Open Access (GEOA) (First Amendment) Regulations, 2024.
- ii. These Regulations shall come into force from the date of publication in the Official Gazette of Karnataka.
- iii. These Regulations shall be applicable for allowing Open Access to electricity generated from Renewable Energy Sources, for use of Intra- State Transmission System/s (InSTS) and/or distribution system/s of licensee/s in the State, including such Intra State Transmission and/or distribution system/s, which are incidental to Inter-State Transmission of electricity.

Regulation No.	Existing Regulation	Modification Proposed
1. d.	<p>"Consumer means any person who has contract demand (for HT) or sanctioned load (for LT) of 100 kW or more, (captive consumers shall not have any load limit), who is supplied with electricity from RE sources for his own use by a licensee or CPP or the Government or by any other person engaged in the business of supplying electricity to the public including captive, under this Act or any other law for the time being in force and includes any person whose premises are for the time being connected for the purpose of receiving renewable energy with the works of licensee, the Government or such other person, as the case may be;</p>	<p>"Consumer means any person who has contract demand (for HT) or sanctioned load (for LT) of 100 kW or more, either through single connection or through multiple connections aggregating to one hundred kW or more located in the same electricity division of a distribution licensee, (captive consumers shall not have any load limit), who is supplied with electricity from RE sources for his own use by a licensee or CPP or the Government or by any other person engaged in the business of supplying electricity to the public including captive, under this Act or any other law for the time being in force and includes any person whose premises are for the time being connected for the purpose of receiving renewable energy with the works of licensee, the Government or such other person, as the case may be;</p>
<p>Proviso to Regulation 1.</p>	<p>Anything not specified in these Regulations but specified in the 'Electricity (Promoting Renewable Energy through Green Energy Open Access) Rules, 2022', issued by the MoP, the provisions specified under the said Rules will prevail.</p>	<p>Deleted.</p>
8. ii.	<p>The application shall be forwarded to the concerned State Nodal Agency by the Central Nodal Agency for further verification. The following time schedules shall be followed for processing the long-term and medium-term OA Application: xxxx xxxx xxxx</p>	<p>The application shall be forwarded to the concerned State Nodal Agency by the Central Nodal Agency for further verification. The following time schedules shall be followed for processing the long-term, medium-term and short term OA Application: xxxx xxxx xxxx</p>

11.	<p>Open Access Charges:</p> <p>i. The following charges shall be determined by the Commission considering the methodology specified by FoR, for Green OA under Rule 12 of the Electricity (Promoting Renewable Energy through Green Energy Open Access) Rules, 2022 (as amended from time to time):</p> <p>a. Transmission Charges</p> <p>b. Wheeling Charges</p> <p>c. Cross subsidy charges</p> <p>d. Additional surcharge</p> <p>e. Banking charges</p> <p>f. Standby charges, wherever applicable</p> <p>g. Losses as determined by the Commission</p>	<p>Open Access Charges:</p> <p>i. The following charges shall be determined by the Commission considering the methodology specified by FoR, for Green OA under Rule 12 of the Electricity (Promoting Renewable Energy through Green Energy Open Access) Rules, 2022 (as amended from time to time):</p> <p>a. Transmission Charges</p> <p>(i) For use of inter- State transmission system: As specified by the Central Commission from time to time</p> <p>(ii) For use of intra –State transmission System:</p> <p>(1) Transmission Charges for Long-Term/ Medium-Term Green Energy Open Access, shall be computed as below:</p> <p>Transmission charge= Total Transmission System Charges (TTSC)/ Peak load served (PLS)</p> <p>Where Total Transmission System Charges (TTSC) for InSTS shall be sum of Annual Revenue Requirement (ARR) or Annual Service Charge of Transmission Licensee(s) approved or adopted by the Commission.</p> <p>Transmission charges will be calculated as Rs/MW/month.</p> <p>PLS is the Peak Load served by the Transmission Licensee during the year.</p>
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<p>11.</p>	<p>v. The Cross-subsidy surcharge shall be as per the provisions of Tariff Policy notified by the Central Government under the Act.</p>	<p>v. The Cross-subsidy surcharge shall be as per the provisions of Tariff Policy notified by the Central Government under the Act. The following formula as per Tariff Policy, 2016, as amended from time to time shall be adopted:</p> <p>CSS (S) = T – [C/ (1-L/100) + D+ R]</p> <p>wherein:</p> <p>S – surcharge,</p> <p>T – Tariff payable by the relevant category of consumers, including reflecting the Renewable Purchase Obligation,</p> <p>C – Per unit weighted average cost of power purchase by Licensee, including meeting Renewable Purchase Obligation,</p> <p>L – Aggregate of transmission, distribution and commercial losses, expressed as a percentage applicable to the relevant voltage level,</p> <p>D –Aggregate of transmission, distribution and wheeling charge applicable to the relevant voltage level,</p>

	<p>Provided further that the additional surcharge shall not be applicable for Green Energy Open Access consumers, if full Fixed charges of the licensee are recovered through retail supply tariff and such full fixed charges are paid by the Open Access consumers.</p>	<p>R – Per unit cost of carrying regulatory assets.</p> <p>Provided that in case the above formula gives negative value of surcharge, the same shall be zero.</p> <p>Provided further that the cross-subsidy surcharge shall not exceed 20% of the average cost of supply.</p> <p>Provided also that cross-subsidy surcharge for Green Energy Open Access shall be computed in Rs/kWh and shall be charged on the actual energy consumed by the consumer under Green Energy Open Access.</p> <p>Provided also that such cross-subsidy surcharge shall not be levied in case distribution access is provided to a person who has been availing green power from the plant established as captive generation plant for his own use.</p> <p>Deleted.</p> <p>vi. (new clause) Additional Surcharge shall be computed as follows:</p> <p>Additional Surcharge= Cost of Stranded Power/Open Access Energy in kWh.</p> <p>where, Cost of Stranded power = Lower of (Quantum of power backed down/surrendered in MW and Quantum of open access power in MW in the previous year) * Per Unit Fixed Cost of Power Purchase (Rs./MW).</p>
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		<p>Provided that BESCO on behalf of all ESCOMs, shall collect the data from SLDC & ESCOMs for the previous year as per the Forms-1 & 2 and file petition before the Commission for determination of additional surcharge for ensuing year. The additional surcharge so determined shall be applicable to all open access consumers including the open access consumers of the Distribution Licensee(s) procuring power from ESCOMs. Additional Surcharge collected by the Distribution Licensee procuring power from ESCOMs shall promptly transfer the same to respective ESCOMs.</p> <p>Provided further that the additional surcharge shall not be applicable in case electricity produced from offshore wind projects, which are commissioned upto December, 2025 and supplied to the Open Access Consumer and also for captive consumption.</p> <p>Provided also that cross subsidy surcharge and additional surcharge shall not be applicable in case power produced from a non-fossil fuel-based Waste-to-Energy plant is supplied to the Open Access Consumer.</p>
12.	<p>Banking: Banking shall be permitted on a monthly basis on payment of applicable charges as determined by the Commission in separate Orders issued from time to time.</p>	<p>Banking: i) Banking shall be permitted on a monthly basis on payment of applicable charges as determined by the Commission from time to time.</p>

	<p>Provided that the unutilized banked energy remaining at the end of the month, shall not be permitted to be carried forward to subsequent months. However, RE generating station would be entitled to RECs for such energy remaining unutilized at the end of the month.</p>	<p>Provided that the unutilized banked energy remaining at the end of the month, shall not be permitted to be carried forward to subsequent months. However, RE generating station would be entitled to RECs for such energy remaining unutilized at the end of the month.</p> <p>ii) The energy banked during peak TOD slots shall be permitted to be drawn during peak as well as off-peak TOD slots. The energy banked during off-peak TOD slots shall be permitted to be drawn during off-peak TOD slot only.</p> <p>iii) The banking charges shall be 8% of the banked energy or as determined from time to time.</p> <p>iv) The banked energy shall be computed slot-wise and day-wise and summated at the end of the month.</p>
15.	<p>2. The meters shall be capable of time-differentiated measurements (15-minutes) of necessary parameters and shall have ToD facility. These meters shall always be maintained in good condition and shall be open for inspection by any person authorized by the State nodal agency.</p>	<p>2. The meters shall be capable of time-differentiated measurements (15-minutes) of necessary parameters and shall have ToD facility. These meters shall always be maintained in good condition and shall be open for inspection by any person authorized by the State nodal agency.</p> <p>Provided that for LT consumers seeking OA under GEOA Regulations, the time differentiated measurement of parameters in the meter in 15-minutes' time blocks shall be waived. However, such meters shall have ToD facility.</p>

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(B) Total for each 15mts block								B1=Average of B _____
	(C)Scheduled Open Access capacity (IEX/3rd party) in MW for the month							
Sources	0000 :0015	0015:0030	0030:0045	0045:0100	----->>>>>>>>>>			Average for the month
IEX								
3rd Party								
(C) Total for each 15mts block								C1=Average of C _____

Note:

1. Data on 15 minutes block wise to be furnished for the previous year ie., if AS is to be determined for 2025-26, data to be furnished for 2024-25 for the State
2. Data shall be furnished for all the 12 months.
3. The monthly available capacity/scheduled /OA capacity (A1,B1,C1) to be calculated by taking the average for each month for each 15mts time block

Form -2 : Monthly Average Surplus/Stranded capacity (MW)

	Month 1	Month 2	Month 3	----->>>>>>>>>>	Month 12	Overall Average
D. Average Available capacity	A1	A2	A3	----->>>>>>>>>>	A12	D= (Average of A1 to A12) XXXXX
E. Average Scheduled Capacity	B1	B2	B3	----->>>>>>>>>>	B12	E= (Average of B1 to B12) XXXXX
F. Staranded capacity (D-E)	F1	F2	F3	----->>>>>>>>>>	F12	F= (Average of F1 to F12) XXXXX
G.Scheduled OA capacity	C1	C2	C3	----->>>>>>>>>>	C12	G= (Average of G1 to G12) XXXXX
H. Stranded capacity due to OA (Lower of F,G)	H1	H2	H3	----->>>>>>>>>>	H12	H= (Average of H1 to H12) XXXXX

4. The month wise average capacity for each time block is to converted to yearly figures by taking average of 12 months

Stranded Cost of Power for the year in Rs. (S) = H * per MW Average fixed cost of sources mentioned in Form-1 for the year in Rs.
 Additional surcharge (AS) (Rs./kWh) = S / OA Energy for the year (3rd party, IEX) (kWh)

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