

HIMACHAL PRADESH ELECTRICITY REGULATORY COMMISSION, SHIMLA

ORDER

Dated 1st December, 2011

No. HPERC/418.- In exercise of powers conferred under regulations 16,17,26, 27 and 42 of the Himachal Pradesh Electricity Regulatory Commission (Short term Open Access) Regulations, 2010 and regulations 27, 28 and 39 of the Himachal Pradesh Electricity Regulatory Commission (Grant of Connectivity, Long-term and Medium-term intra-State Open Access and Related Matters) Regulations, 2010, regulation 33 and 48 of Himachal Pradesh Electricity Regulatory Commission (Terms and Conditions for Determination of Transmission Tariff) Regulations, 2011 and regulation 3 and 10 of Himachal Pradesh Electricity Regulatory Commission (Cross Subsidy Surcharge, Additional Surcharge and Phasing of Cross Subsidy) Regulations, 2006, the Himachal Pradesh Electricity Regulatory Commission makes the following order namely:-

1. Short title and Commencement.- (1) This Order may be called Himachal Pradesh Electricity Regulatory Commission (Determination of Open Access Charges) Order, 2011.

(2) This Order shall come into force on the date of its publication in the Rajpatra, Himachal Pradesh

2. Applicability.- This Order shall remain in force upto 31st March, 2012 unless allowed to be continued for further period with such variations or modifications as may be ordered by the Commission.

3. Determination of Open Access Charges:- The Commission hereby determines the Transmission Charges, Wheeling charges, SLDC charges and Cross Subsidy Surcharge payable by Open Access Customers for the usage of existing Transmission system of Himachal Pradesh State Transmission Corporation Ltd (HPPTCL) HPSEB Ltd and the Services of SLDC of the State as under:-

(A) Transmission Charges

In view of the designation of HPPTCL as State Transmission Utility and transfer of certain existing works of the erstwhile HPSEB by H.P. Government to HPPTCL vide its order dated 10.6.2010, the Commission approved a separate ARR of Rs. 11.71 crore for 2011-12 in respect of the State transmission system vide its order dated 14.7.2011. Based on this ARR, the transmission charges payable by the Open Access consumers for the usage of the existing Transmission System of HPPTCL are determined out as under:-

(i) For Short term Open Access Consumers

ARR of HPPTCL for FY 2011-12 as per clause 5-30
of MYT Order for HPPTCL dated 14.7.2011 Rs. 11.71 Cr.

Total estimated requirement of annual energy
power at State Periphery (i.e. excluding HPSEBL's
own generation and purchase from projects
directly connected to Distribution System) = 5514.33 MU

Transmission charges for short term open access $\frac{11.71 \times 10 \times 100}{5514.33} = 2.12$ paise/kwh

(ii) For Long and Medium term Open Access Consumers.

In absence of firm agreement between HPPTCL and HPSEBL about the quantum of contracted capacity, the Commission has considered the same as 900 MW by taking account the estimated average demand of the State and the estimated quantum energy required to be transferred on the transmission system. Accordingly open access charges for the existing transmission system of the HPPTCL are determined for long term and medium term open access users as under :-

Transmission charges = $\frac{11.71 \times 10000000}{900 \times 12}$ Rs. 10843/MW/Month

Note:- 1. Transmission charges for (i) as well as (ii) shall be levied on the energy/power injected into the State Transmission System.

2. In case of variation of contracted capacity, the recovery from distribution licensee, through transmission charges, shall be limited to the approved ARR.

(B) Wheeling Charges

Consequent to transfer of the State Transmission System to HPPTCL as per H.P. Government's order dated 10.6.2010, the EHV system of HPSEBL now forms a part of the distribution system. Since the per unit costs of wheeling at the EHT and HT level shall be substantially lower than the average wheeling cost, the Commission finds it prudent to fix the voltage wise wheeling charges. The Commission has accordingly apportioned the wheeling cost of Rs. 783.23 crores as determined in the Tariff Order dated 19.7.2011 to various voltage classes and determined the wheeling charges for the EHT (66 kV and above), HT (11 kV and above) and other voltage levels (upto 11 kV) of the distribution system. Certain reasonable assumptions have however been made, wherever required, in view of

the non availability of complete data as also mentioned in the tariff order dated 19.7.2011. The charges determined by Commission are as under:-

S.No.	Description	EHT(≥ 66 kV)	HT(≥ 11 kV)	Less than 11 kV
(i)	Total cost Apportioned (Rs. in Crores)	268.27	288.13	226.82
(ii)	Cost allocation brought forward from the next higher voltage block) $\{(i-v*v_i)/1000\}$ [(Rs. in Crores)]	0	204.74	217.10
(iii)	Total cost Allocation (i+ii) (Rs. in Crores)	268.27	492.87	443.92
(iv)	Total energy quantum (Sales relevant to determination of per unit rate) in MU	7090.19	5411.3	2383.57
(v)	Energy sales	1678.89	3027.73	2383.57
(vi)	Rate of wheeling charges in Paise/Unit(iii/iv*1000 of previous column)	38	91	186

- (i) Wheeling charges shall be levied on the energy drawn at the delivery point in the distribution system.
- (ii) In case the power is withdrawn from the distribution system at a normal voltage level which is different from the voltage level for injection of power into the distribution system, the wheeling charges corresponding to the lower voltage level shall be applicable.
- (C) SLDC/Operating charges:- SLDC/Operating charges @ Rs. 2000/day or part of the day for each transaction. These charges shall be levied only once for each open access transaction even if the both state transmission and distribution systems are involved.
- (D) Cross Subsidy surcharge (Rs/Unit):-

The sub regulation 2 of regulation 3 stipulates that the cross subsidy surcharge shall be determined by the Commission on a methodology and surcharge formula specified in the National Tariff Policy, which is given as under:-

$$S = T - [C (1+L/100) +D]$$

Explanation .- For the purpose of this regulation. -

- (a) “S” is the Surcharge
- (b) “T” means Tariff payable by the relevant category of consumers
- (c) “C” is the Weighted average cost of power purchase of top 5% at the margin excluding liquid fuel based generation and renewable power
- (d) “D” is the Wheeling Charge
- (e) “L” is the system losses for the applicable voltage level, expressed as a percentage

Based on above the cross subsidy surcharge for various categories of is as follows:-

Category		For 21 hours of the day (i.e. other than peak load hours)	For Peak load hours of the day
a)	Cross-Subsidy Surcharge for Large Supply (LS) EHT Category (Rs./Unit)	Nil	2.37
b)	Cross subsidy Surcharge for LS HT Category (Rs./Unit)	Nil	2.11
c)	Cross Subsidy Surcharge for Bulk Supply (BS) HT Category	Nil	Nil
d)	Cross subsidy Surcharge for Water and Irrigation Pumping Supply (WIPS) HT category (Rs./Unit)	0.11	2.36

The Cross Subsidy Surcharge shall be levied separately for peak load hours and remaining hours of the day for the quantum of power and Nos. of hours falling in each of these two categories of time blocks for which Open Access is allowed. The Cross Subsidy Surcharge shall be levied on the energy withdrawn at the delivery point in the distribution system through open access.

- (E) In addition to above charges, the transmission as well as distribution losses shall be absorbed by the Open Access consumers in kind as per provisions of the Open Access regulations and shall be credited to the respective licensees through energy accounting mechanism to the respective licensees.

- (F) Additional Surcharge:

This shall be determined by the Commission in accordance with the Sub-regulation 3 of regulation 6 of HPERC (Cross Subsidy Surcharge, Additional

Surcharge and Phasing of Cross Subsidy) Regulations, 2006 if the distribution licensee registers and substantiates any claim in this regard.

By Order of the Commission

**Sd/-
Secretary**