WEST BENGAL ELECTRICITY REGULATORY COMMISSION
WEST BENGAL
Petition No. OA-302/18-19
Date of hearing: 24th September, 2019
Time of hearing: 14.00 hours
Coram:
Shri Sutirtha Bhattacharya, Chairperson
Shri Durgadas Goswami, Member

In the matter of
Application by OCL Bengal Cement Works, a unit of OCL India Limited (OCL) seeking clarification on DSM mechanism under WBERC (Open Access) Regulations, 2007 as urged upon by SLDC, WBSETCL on OCL's application for inter-state Short Term Open Access for 7 MW power from OCL's Captive Power Plant at Rajgangpur, Odisha to their works at Godapiasal, Salboni, West Medinipur.
And
In the matter of
OCL Bengal Cement Works
A unit of OCL India Limited
Sangam Garden, Saraswati Block
Tantigeria
P.O. Vidyasagar University
P.S. Medinipur Kotwali
Dist. West Medinipur.

And

State Load Despatch Centre
West Bengal State Electricity Transmission Company Limited
Vidyut Bhavan
Block DJ, Sector – II
Salt Lake City
Kolkata 700 091.

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West Bengal State Electricity Distribution Company Limited
Vidyut Bhavan
Block DJ, Sector – II
Salt Lake City
Kolkata 700 091. .......................... Respondent

Representatives attended:

OCL Bengal Cement Works (OCL) [Petitioner]
1. Sri Manoranjan Sahoo, Deputy Executive Director,
2. Sri Prasant Pradhan, Senior Consultant,
3. Sri M. K. Vishwanath, Head (Electrical & Instrumentation),

West Bengal State Electricity Distribution Company Limited (WBSEDCL)
[Respondent]
1. Sri Subrata Chowdhury, Senior Manager (HR&A),
2. Sri Mahab Das, Superintending Engineer (E),

State Load Despatch Centre, West Bengal State Electricity Transmission
Company Limited (WBSETCL) [Respondent]

Absent

CASE IN BRIEF

The petition of OCL praying before the Commission to clarify provision for DSM
mechanism under the West Bengal Electricity Regulatory Commission (Open Access)
Regulations, 2007 was heard by the Commission consecutively on 25th April, 2019, 10th
June, 2019, 8th July, 2019 and 17th July. Upon hearing both OCL, SLDC and WBSEDCL
on 17.07.2019, the Commission passed an order dated 23.07.2019 with, inter-alia,
direction to hold next hearing on 6th August, 2019 at 14.30 hours which was
subsequently postponed to 24th September on request from the parties. Accordingly, the
hearing was held on 24th September, 2019 at 14.30 hours.

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COMPLIANCE OF INTERIM ORDER DATED 23.07.2019

Based on the direction given by the Commission vide its order dated 23.07.2019, WBSEDCL and SLDC submitted a joint report on their proposed roadmap to accommodate the petitioner’s requirement in regard to import of 7 MW power from their Captive Power Plant (CPP) at Odisha in open access mode, as per the extant Regulations of the Commission within the stipulated date and served a copy of the same on the petitioner. The excerpt of the said road map is reproduced below:

"Considering the existing provisions of CERC DSM regulations specifying for heavy penalty for violating volume limit by the State as a whole and the incidents of disconnections by ERLDC in recent past as well as suo-moto scheduling of URS power to WBSEDCL by ERLDC, the followings are proposed:

i) The only solution for accommodating OA customer in state grid under prevailing Intra-state ABT regime is to adopt separate intra-state DSM regulatory guideline compatible with the extant DSM regulation of CERC.

ii) So long intra-state DSM guideline is not introduced by Hon’ble Commission followings are proposed to discourage any type of over-drawal by OA customers.

a) Any over drawal beyond schedule and upto 10% of schedule attract an additional penalty of 40% of the block DSM.

b) Any over-drawal beyond 10% of schedule should attract an additional penalty of 100% of the Block DSM.

c) Over-drawal beyond 20% of open access schedule will cause line disconnection.

d) Any under drawal at frequency below 50.05 Hz will not get paid and also not be charged any DSM.

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e) Any under drawal at frequency 50.05 Hz and above will attract DSM charge as per present Regulations.

iii) Apart from that STOA customers have to execute standby agreement with the connected distribution licensee for drawal of standby power upto open access quantum. Hon'ble Commission will determine standby charge and other applicable charges for STOA customers to facilitate grant of Open Access.

**SUBMISSION DURING HEARING**

The representative of OCL submitted that while they agree to the proposals under (ii) (d) and (e) above, their concern is restricted to the implementation mechanism i.e., as to how to calculate the drawal when they are simultaneously drawing power under open access mode and consumer mode. However, they have submitted a written submission in this regard which is reproduced below:

"1. That the issues stated in the joint report are relating to the Generation/Distribution Utilities of the State of West Bengal having LTA in the CTU network. Since the Petitioner is an embedded consumer of the Distribution licensee, the apprehensions indicated in the report are not relevant in this case and are not applicable to the Petitioner's industry.

2. That in the joint report over-drawl is considered on Open Access schedule which is to be upto the Contract Demand i.e., 11.5 MVA. If Petitioner Company overdraws any quantum on and above the Contract Demand, then Petitioner Company agrees to pay charges as applicable as per WBERC tariff order.

3. That in the last filing, the mechanism of power flow and the impact of over drawl/under drawl by the industry (OCL) sought open access over the State of WB has been clearly indicated.

4. That it is further submitted that the Petitioner is ready to submit an undertaking to the extent that –

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In case of simultaneous under drawal by the State and the Petitioner's industry, the penalty paid by the State shall be passed on to the OA customer for the quantum of under drawal from the scheduled quantum limiting such quantum to the State's under drawl quantum.

5. That except the scenario indicated at para 4 above, in no other scenario, there will be any impact on the State due to over drawal / under drawal by the OA customer. Since the Petitioner is a consumer of WB DISCOM having a definite quantum of MW contract for drawal -

i) The scheduled quantum shall be deducted from the energy recorded (Block wise) for computation of power drawal from the DISCOM (WB). This takes care for the over drawal of power beyond schedule.

ii) In case the Drawee utility fails to draw the scheduled quantum of power, WB will get the under drawl quantum free of cost.

6. That in view of the above, levy of any other charges as standby charges to the Open Access Customer is not required.

7. As per the latest DSM mechanism effective from 01.01.2019 which states that Sustain Deviation in one direction -

i) In the event of sustained deviation from schedule in one direction (Positive or negative) by any regional entity, such regional entity (buyer or seller) shall have to make sign change of their deviation from schedule, atleast once after every 12 time blocks.

ii) Additional charge of 20% of the daily base DSM payable/receivable shall be applicable in case of said deviation.

The petitioner OCL undertakes to pay any penalty leviable to WBSLDC due to sustained deviation in one direction attributed to the petitioner for under-drawl of the Open Access Power.
The representative of OCL reiterated their views that charges for over drawal shall be paid to WBSEDCL when in case of under drawal, the benefit goes to WBSEDCL. The penalty paid by the State shall be passed on to the open access customer for the quantum of under drawal from the scheduled quantum limiting such quantum to the State’s under drawal quantum. OCL also submitted that whether it is equitable when under-drawing benefits are passed on to DISCOM but the over-drawing penalties are passed on to OA customer.

The representative of WBSEDCL submitted that –

1) In case of availing open access by any consumer, WBSEDCL is required to back down its generation to match the drawal schedule of WBSEDCL. Now, if any open access customer wants to draw power under consumer mode, a definite time is required under the State Grid Code to reschedule the generator to supply such additional power.

2) According to present DSM mechanism with deviation volume limits, if the proper scheduling arrangements with open access customers are not maintained, then it will cause high penalty to WBSEDCL as well may lead to tie disconnection, which in turn may hamper the interest of the end consumers of WBSEDCL.

3) The challenge faced by WBSEDCL with the consumers who simultaneously draws open access power is to plan its power procurement as well as manage the grid discipline. Therefore, it requires some operational mechanism for shifting the load from open access mode to consumer mode. Accordingly, the representative of WBSEDCL suggested the following measures:

i) OCL shall submit the drawal schedule from open access mode as well as its requirements under consumer mode for each 15-minutes time block to the SLDC and ALDC of West Bengal.

ii) OCL may request for revising the consumer mode drawal schedule as per the timeline specified in the State Grid Code.
iii) Any deviation from the overall schedule (i.e., OA mode plus consumer mode) will attract deviation charge and additional penalty as the case may be.

The representative of OCL objected to the contention of WBSEDCL as to submission of drawal schedule to SLDC and ALDC since, in their opinion, it is not required. However, it was drawn to the notice of the representative of OCL that as per the regulation 6.5.4 (iv) of West Bengal Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2011, as amended, it is mandatory to submit drawal schedule for every 15 minute time block by the open access consumers who also draws simultaneous power in consumer mode. Upon going through the regulation 6.5.4 (iv) of the Tariff Regulations, the representative of OCL agreed to the proposal for submission of drawal schedule.

**ORDER**

Upon hearing both the parties, the Commission reserves the petition for final order. Parties will be intimated about the date of pronouncement of the order.

Sd/-
(DURGADAS GOSWAMI)
MEMBER

Sd/-
(SUTIRTHA BHATTACHARYA)
CHAIRPERSON

DATE: 24.10.2019

(T. K. MUKHERJEE)
SECRETARY

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