ELECTRICITY- A TRADABLE URBAN COMMODITY

A DETAILED STUDY OF OPEN ACCESS IN INDIA (CASE STUDY – DELHI)

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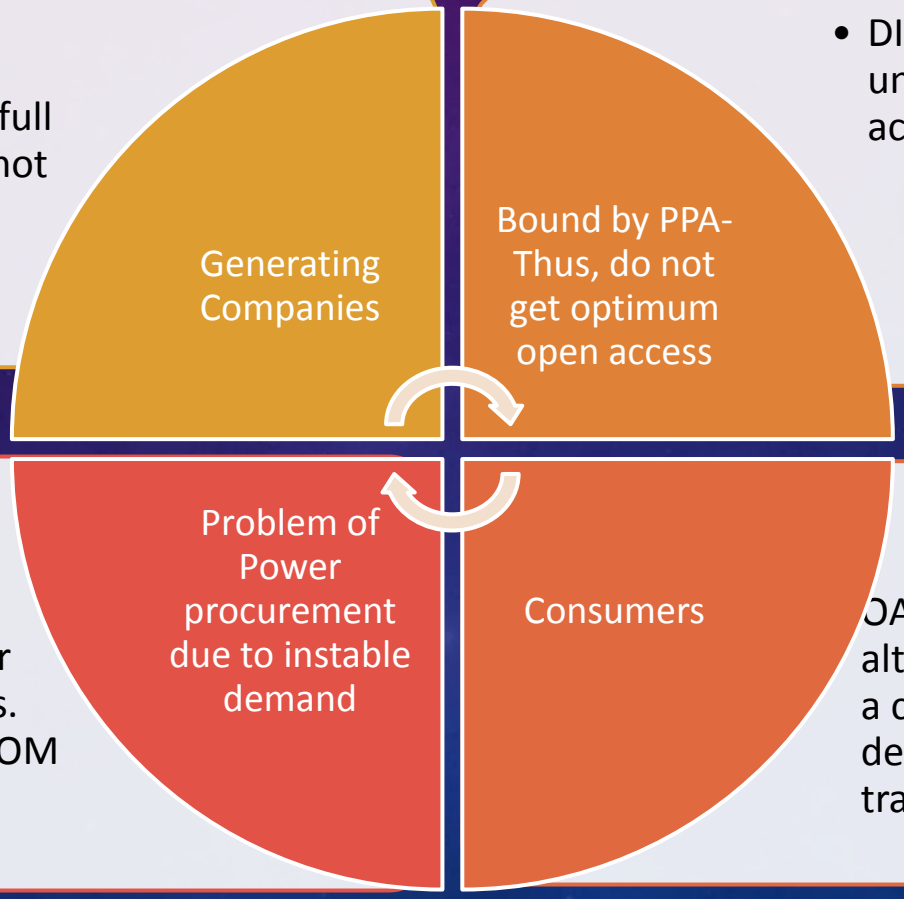
BY KANKSSHI AGARWAL

INTERN

NITI AAYOG

DISCOMFORT TO THE DISCOMS!

- Generating company has a capacity more than PPA, then its good, but DISCOM might not be procuring the full amount of PPA, and that energy cannot be sold in OA.



- DISCOM does not permit for OA, coz it is unsure of its own demands, as OA accessed by consumers.

- Too many charges on the consumer. Which are still not enough to recover the DISCOM from the fixed price loss. Which means OA inhibited, yet DISCOM is at loss.

OA is a misnomer, as only having an alternate distributor is not sufficient for a customer. Consumer keeps switching depending upon prices. Hence transmission planning cannot be done.

CHALLENGES IDENTIFIED IN OPEN ACCESS

- The Problem of Demand Estimation – EPS Survey FYP 11th & 12th and traditional method of calculation
- The Problem of Frequent Switching – Mothership of DISCOM
- The Problem of STOA – Exit Entry Rules- No Liability for Strengthening Networks
- The Problem of Open Access Surcharges – Reasonability of applied charges
- The Problem of Renewable Energy
- The Problem of PPAs
- The Problem of OA being a Misnomer for Consumers
- The Problem of Burdening the Small Consumers
- The Problem of Charges not compensating for Fixed Charges of DISCOMs.


KEY GROUND ISSUES
Complexity of Charges
Unclear Law
Breaching of Orders
Grievance Redressal
Quality and Technical Aspects
Ease and Accessibility
Social and political Issues
Inefficient Billing Cycles

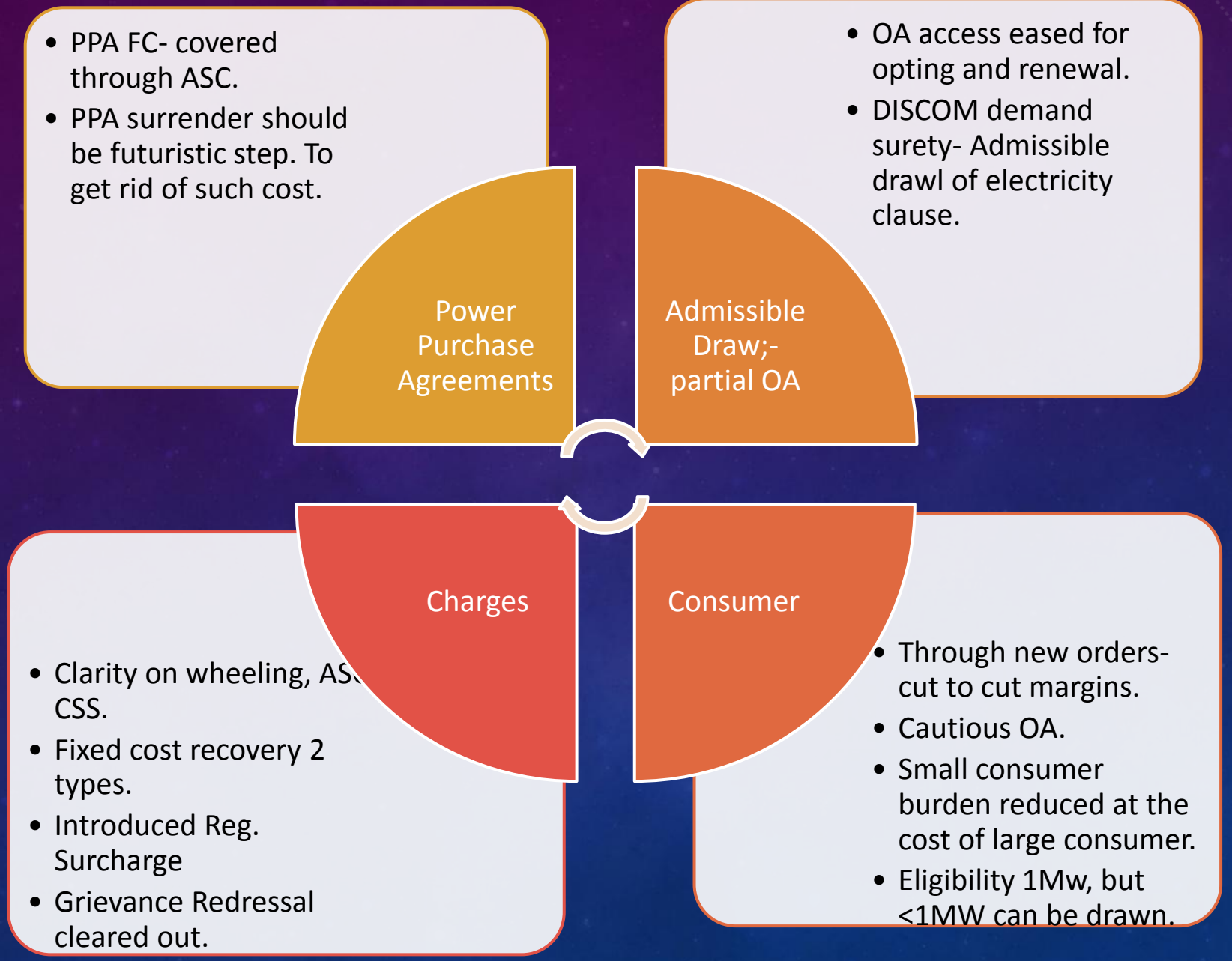
KEY GROUND ISSUES – CP ROHINI AND FORTIS

- Wheeling Charges Conflict - Data
- Technical Faults – CT VT Blast- Assessment based metering in usual case Vs. Power Cut.
- Liability and Accountability in case of Power Cut – Compensation for DISCOM inefficiency.
- Cross Subsidy Surcharges- Difference between two states and change of application on quantum.
- Irresponsive Grievance Redressal – Lack of Mechanism
- Clearance to move into OA. – Gaming letter, No NOC, Tough Renewal Procedure.
- Non-Timely Bills
- Push towards Partial Open Access
- Opposition from Small consumers – Regulatory Charges Introduced

CASE WISE REAL SCENARIOS – ROLE OF STATES

- Delhi versus Haryana.
- DERC 1.06.2017 Order – Admissible Drawl of electricity, Regulatory Charges, Surcharges application (WC, CSS, ASC)

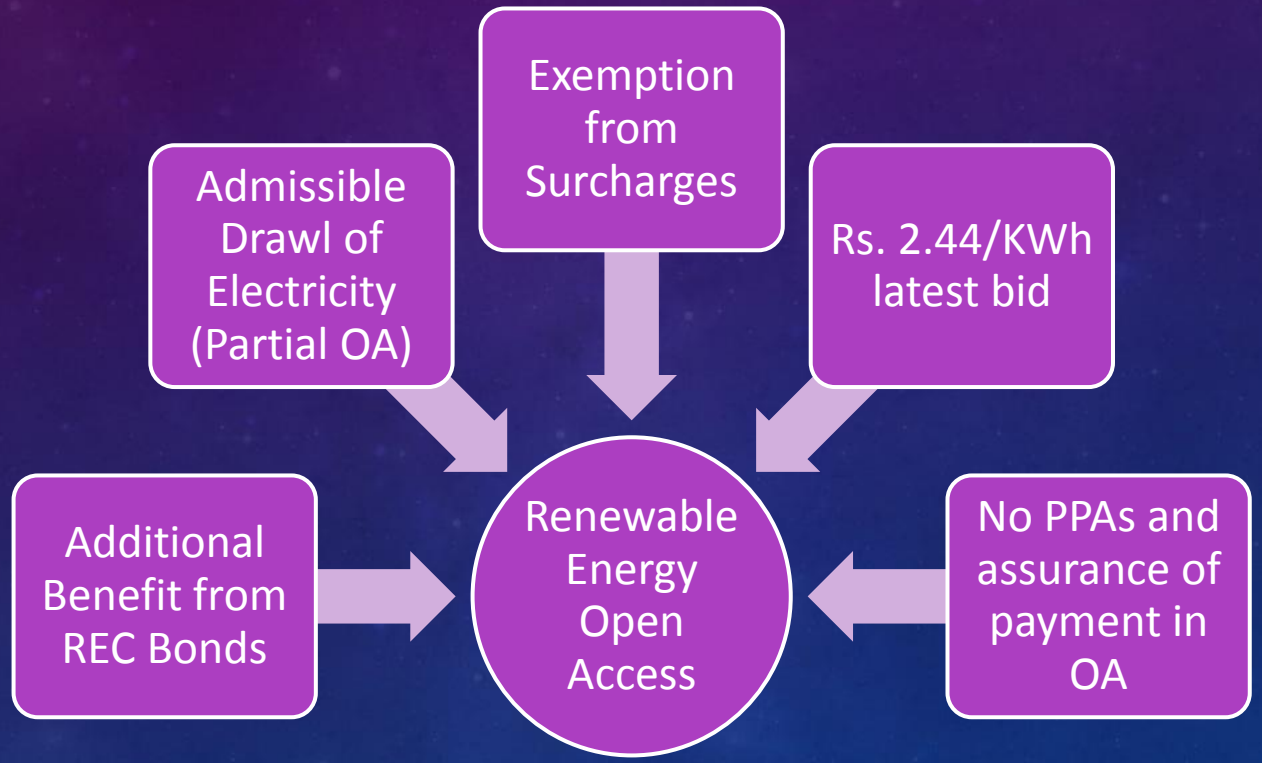
PROBLEMS ADDRESSED?



TAKING FORWARD FROM THE PROBLEMS – 1ST JUNE DERC

- The Problem of Frequent Switching – Mothership of DISCOM- Admissible Drawl of Electricity
- The Problem of STOA – Exit Entry Rules- No Liability for Strengthening Networks
- The Problem of Open Access Surcharges – Revised.
- The Problem of Renewable Energy – Norms regarding exemptions (Scope of Research)
- The Problem of PPAs, (Surrender) – ASC are applied to recover PPA FC.
- The Problem of OA being a Misnomer for Consumers
- The Problem of Burdening the Small Consumers – Regulatory Surcharge
- The Problem of Charges not compensating for Fixed Charges of DISCOMs. – 2 types of charges – FC wheeling and ASC FC.

OPEN ACCESS & RENEWABLE ENERGY -WHY SOLAR OPEN ACCESS WILL SOAR?



*Acme solar bid rate – May'17- Rajasthan-500 MW

WAY FORWARD

1. Changing Role of DISCOM – Retailer
2. STOA Should be open to retailers to provide an overall experience in power purchase
3. Responsibility of Strengthening the Network should also lie with STOA consumers (as LTOA customers will take a lot of time to come into OA due to the amount of investment involved).
4. Unification of Grid – Multiple Licensing & Carrier and Content
5. Surrendering & Preventing PPAs renewal.
6. Open Access will be lucrative through Renewable Energy
7. Increasing Investment and Technology in Energy Storage
8. Government to take up Network Strengthening and leasing the network for parallel licensing
9. CSS to DBT so that complexity of surcharges can be reduced
10. Assessing the feasibility for International Referencing (Foreign Success Models)

THANK YOU