

TAMIL NADU ELECTRICITY REGULATORY COMMISSION

TNERC/M.O.4/E/RPO dated 28-12-2010

Present : Thiru S. Kabilan, Chairman
Thiru K. Venugopal, Member
Thiru S.Nagalsamy, Member

In the matter of : Order on Pooled Cost of Power Purchase by TANGEDCO for the year 2009-10 and fee and charges payable under regulation of TNERC (Renewable Energy Purchase Obligation) Regulations, 2010.

1. In exercise of powers conferred by section 181 of the Electricity Act, 2003 (Central Act 36 of 2003) read with sections 61, 66 and 86(1)(e) and all other powers enabling it in this behalf, and after previous publication, the Tamil Nadu Electricity Regulatory Commission has notified Tamil Nadu Electricity Regulatory Commission (Renewable Energy Purchase Obligation) Regulations, 2010 (herein after referred to as 'RPO Regulations') vide notification No. TNERC/RPO/19/1, dated 07-12-2010 and the same was published in the in the Tamil Nadu Government Gazette dated the 22nd December, 2010.

2. The regulation 2(1)(h) of the RPO regulations defines the Pooled Cost of Power Purchase as follows:

“Pooled cost of power purchase’ means the weighted average pooled price at which the distribution licensee has purchased the electricity including cost of self generation in the previous year from all the long-term energy suppliers, but excluding those based on liquid fuel, purchase from traders, short-term purchases and renewable energy sources;”

3. Regulation 6 of the RPO regulations sets the eligibility criteria to the renewable energy generating company for obtaining accreditation from the State Agency as follows:

“(a) It does not have any power purchase agreement for the capacity related to such generation to sell electricity at a preferential tariff determined by the Commission; and

(b) It sells the electricity generated either (i) to the distribution licensee in the State of Tamil Nadu at a price not exceeding the pooled cost of power purchase, or (ii) to any other licensee or to an open access consumer at a mutually agreed price, or through power exchange at market determined price.”

4. In accordance to the above, based on the records furnished by the TANGEDCO, Commission hereby specifies the Pooled Cost of Power Purchase by the TANGEDCO for the year 2009-10 as Rs.2.37 per unit.

5. Regulation 5(3) of the RPO Regulations empowers the Commission to fix the remuneration and charges payable to the State Agency and the relevant portion of the Regulations is reproduced below:

“5(3) The Commission may from time to time fix the remuneration and charges payable to the State Agency for discharge of its functions under these regulations.”

6. The Central Electricity Regulatory Commission vide their order dated 21-09-2010 in petition No. 230/2010 (Suo Motu) has fixed the following charges for accreditation. The Control Period or Review Period of the fee and charges determined through this Order shall be of three years of which the first year shall be the period from the date of publishing of this Order to March 31, 2011.

i. An application for Accreditation of RE Generation Projects shall be made to the State Agency by the Renewable Energy (RE) Generating Company. The application for Accreditation of RE Generation Projects shall be accompanied by a non - refundable ‘One - time Application Processing Fees’ at the rate of Rs.5000/- per application.

- ii. The Eligible Entity shall pay the 'One - time Accreditation Charge' at the rate of Rs.30000/ - per application once the 'Certificate of Accreditation' is granted by the State Agency.*
- iii. The Eligible Entity shall also pay an 'Annual Charge' at the rate of Rs.10000/ - per application. The 'Annual Charges' shall be payable by April 10 of each year.*
- iv. The Eligible Entity shall pay charges towards Revalidation/Extension of Validity at the rate of Rs.15000/ - per application at the time of revalidation/extension of validity of existing Accreditation at the end of five (5) years, or any such period as determined by the Commission from time to time, from the date of initial Accreditation unless otherwise revoked prior to such validity period.*
- v. The taxes and duties on fee and charges shall be applicable as per prevailing norms."*

7. In this regard, the Commission has decided to adopt the same charges as specified by the CERC. The State Agency (SLDC) is directed to adopt the fee and charges as specified by the CERC in their order dated 21-09-2010 in suo-motu petition No. 230/2010.

8. The Pooled Cost of Power Specified in para 4 of this order will remain in force even beyond 31-03-2011, if no new rate is notified by 31-03-2011.

(By order of the Commission)

**(R.V.Rajah)
Secretary**

To

**The Chairman,
TANTRANSCO,
144, Anna Salai, Chennai - 2.**