

**BEFORE THE TAMIL NADU ELECTRICITY REGULATORY COMMISSION
CHENNAI
Amending Order No. 3 - 2 dated 16.10.2007**

In the matter of : Power purchase and allied issues in respect of Non-Conventional Energy Sources based Generating Plants and Non-Conventional Energy Sources based Co-Generation Plants

In order No. 3 dt. 15.05.2006, the following amendments shall be made, namely:-

1. In section **8**, "**Issue wise compilation of comments/suggestion and Commission's view/decisions**" under issue No. **5** "**Demand Charges / Grid Availability Charges**" in the Para titled '**Commission's views/decisions**', under the sub heading titled 'b) Applicable Demand Charges' the para commencing with the words "**Till a mechanism is put in place to ascertain....**" in page 39 and ending with the words "**then and there on demand charges).**" in page 41 shall be substituted with the following:

"

Till a mechanism is put in place to ascertain the relation between the demand generated in each of the 2880 fifteen minutes time blocks and the demand recorded at the consumer end in the related time blocks, a reasonable approximation has to be followed to arrive at the demand supplied by the generator. Since the variation in meeting the demand of the wind energy user by the two parties involved, is possible in the full range of 0 to 100 % and only the actual energy generated is available at the generation end, it is considered prudent to convert 17.342 % of the energy generated for the wind energy user, into an equated demand with reasonable approximations as the deemed demand supplied by the generator as detailed below:

CUF for Group I	-----	25.90%
CUF for Group II	-----	27.46%
Average CUF	-----	26.68%

In Tamil Nadu, out of total wind energy generated, about 65% of energy is being adjusted for own use and 35% is being sold to TNEB. Therefore the proportionate CUF for adjustment of energy for own use is:

$$26.68 \times 0.65 = 17.342\%$$

The demand supplied by the wind energy generator = $17.342 / 0.9 = 19.27\%$
 where 0.9 is the power factor to be maintained by the user.

The demand charges payable by wind energy user will be calculated as below:

Total generated units consumed by the user divided by (30 X 24 X Actual PF recorded during the billing month) ----- A

Recorded demand (or) 90% of sanctioned demand ,whichever is higher -- B

The demand supplied by the Licensee (B – A) ----- C

The demand charges payable by wind energy user = (A X 80.73% of applicable demand charges) + (C X applicable demand charges)

For the present tariff applicable to HT Industry =(A X 0.8073 X 300) + (C X 300)

In line with such an approximation, a deemed demand concept is proposed.

The demand charges for a wind energy user shall, accordingly, be 80.73% percentage as for the "deemed demand" supplied by the generator plus 100% of the applicable demand charges for that category of user for the balance demand supplied by the Distribution Licensee.(i.e. The difference between the maximum demand recorded and the deemed demand subject to the tariff order issued then and there on demand charges).

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2. In section 9, "**Commission's Analysis and its ruling on tariff and related Issues**" under sub section **10.3 'Demand Charges / Grid Availability Charges'**, under the sub heading titled 'b) Applicable Demand Charges' the existing figure "**81.2%**" occurring in line 1 shall be substituted by "**80.73%**".

(By order of the Tamil Nadu Electricity Regulatory Commission)

**R.Balasubramanian
 Secretary**