

**BEFORE THE GUJARAT ELECTRICITY REGULATORY COMMISSION  
AHMEDABAD**

**Shri G. Subba Rao, Chairman**

**Shri K.P. Gupta, Member**

**Shri Man Mohan, Member**

**Date: 11<sup>th</sup> August, 2006**

**Order No. 3 of 2006**

**Order**

**In the matter of:**

**“Bringing Generating Stations of Gujarat State, Distribution Licensees and other persons under the purview of Intra-State Availability Based Tariff (Intra-State ABT)”**

- 1.** The Central Electricity Regulatory Commission (CERC) by its order dtd. 4.1.2000, introduced the scheme of Inter State ABT in Western Region w.e.f 1<sup>st</sup> July, 2002. The main features of the scheme in relation to tariff are:
  - a. Capacity Charge linked to Availability;
  - b. Energy Charge linked to Scheduled Generation;
  - c. Unscheduled Interchange (UI) Charge linked to the grid frequency.
  
- 2.** The implementation of Inter-state ABT has brought about the following improvements in the operation of the regional grid as indicated in the FOIR sub-committee report:

- a. Grid frequency has dramatically improved from 48 – 52 Hz range to 49.0 – 50.5 Hz range for most of the time.
  - b. A higher consumer demand is being met, due to built-in incentives to maximize generation in peak-load hours.
  - c. Generating stations are being operated according to real merit order, on region-wide basis, through decentralized scheduling.
  - d. Hydro-electric generation is being harnessed more optimally than before.
  - e. States' shares in central generating stations have acquired new meaning and grid discipline is encouraged.
  - f. Open access, wheeling of captive generation and power trading have become possible through the UI mechanism for handling deviations/ mismatches.
  - g. States meet their occasional excess demand by over drawing from the regional grid and paying applicable UI charges to the under-drawing states.
- 3.** The National Electricity Policy issued on 12<sup>th</sup> February, 2005 also accepts the benefits of ABT introduction at the national level and has advised the SERCs to introduce ABT at the State level within one year. The relevant portion of para 5.7.1 (b) of National Electricity Policy reads as follows:

*“The ABT regime introduced by CERC at the national level has had a positive impact. It has also enabled a credible settlement mechanism for intra-day power transfers from licenses with surpluses to licenses experiencing deficits. SERCs are advised to introduce the ABT regime at the State level within one year.”*

- 4.** The GERC (Terms and Conditions of Tariff) Regulations, 2005 (GERC Tariff Regulations) notified on 31<sup>st</sup> March 2005 specify that the Commission will issue detailed orders for operationalisation of ABT after consulting the stakeholders and considering their degree of preparedness for its implementation. Further, the Gujarat Electricity Regulatory Commission (Open Access in Intra-state Transmission and Distribution) Regulations, 2005 provide for implementation of the Intra-State ABT System for operationalising Open Access.
- 5.** The reorganization of the erstwhile Gujarat Electricity Board (GEB) has resulted in creation of seven independent entities (one generating company, one transmission licensee and four distribution licensees and one holding/trading company). Moreover, two private distribution licensees and state controlled as well as private generating companies are also functioning in the State. In addition, new generating companies are likely to come up in the near future. Under the State Captive Power Policy-1998 some of the owners of CPPs are supplying power to their group companies using the state grid. Further, under the Wind Power Policy-1993 and 2002 of the Government of Gujarat some of the owners of wind farm are supplying power to grid and some are wheeling power to their manufacturing units for their own use. Moreover, the Regulations notified by the Commission for Open Access and Power Purchase from Renewable Sources will also increase the number of players using the State Grid.
- 6.** The Indian Electricity Grid Code (IEGC) also provides that the operation of all entities within the State would be coordinated by the concerned State Load Despatch Centre (SLDC), who in turn would coordinate with Regional Load Despatch Centre (RLDC) on

real time basis. In the existing Interstate ABT, Gujarat participates as a single unit connected to the Western grid and also gains or loses in case of deviations from schedule. This may be due to deviation from schedule by individual entities in the State and therefore, such deviating entities have to bear the consequences. The increase in users of the State Transmission network calls for efficient energy accounting and balancing mechanisms. Hence, Inter State ABT principles have to be replicated at the intra-state level. In view of the above, the Commission hereby resolves to implement the scheme of Intra State Availability Based Tariff (Intra-State ABT).

7. The tariff under the ABT regime will have three components namely the capacity charge, the energy charge and the Un-scheduled Inter-change charge (UI Charge).

**a. Capacity Charge:**

Capacity Charge will be related to 'Availability' of the generating station.

As defined in sub clause (v) of Clause 13 of GERC Tariff Regulations, 'Availability' in relation to a thermal generating station for any period means the average of the daily average declared capacities (DCs) for all the days during that period expressed as a percentage of the installed capacity of the generating station minus normative auxiliary consumption in MW.

Computation and payment of Capacity Charge at various 'Availability' levels shall be regulated according to provisions made in Clauses 20, 29 and 47 of GERC Tariff Regulations.

However, for the PPAs entered into by the erstwhile GEB the calculation of capacity charge may be made according to the provisions made in the PPA and the Full capacity charges shall be recoverable at target Net Availability as specified in the PPAs. Recovery of capacity (fixed) charges below the level of such target availability shall be on pro rata basis. At zero availability, no capacity charges shall be payable. The requirements of Deemed Generation (DG) and Deemed Non Generation (DNG) will not be necessary for working out availability as the incentive will be payable on ex-bus scheduled energy corresponding to scheduled generation and in excess of ex-bus energy corresponding to target Plant Load Factor as specified in the PPA.

**b. Energy Charge:**

Energy Charge shall be worked out on the basis of paise per Kwh rate on ex-bus energy scheduled to be sent out from the generating station and according to the Clauses 21 and 38 of GERC Tariff Regulations.

However, for the PPAs entered into by the erstwhile GEB the calculation of energy charge may be made according to the provisions made in the PPA except that payment will be made for scheduled energy instead of actual generation.

**c. Unscheduled Interchange (UI)**

- i. Regarding the third part of the tariff i.e. Unscheduled Interchange (UI) charges, the UI rate determined by the CERC is already in force for inter-state ABT and various experts including the FOIR sub-committee recommended

adoption of the same UI rate for intra-state ABT. The Commission has considered it appropriate and incorporated the UI rates and threshold frequencies for UI rate as determined by CERC in the Tariff Regulations. So, Unscheduled Interchange (UI) shall be according to Clauses 23 and 41 of GERC Tariff Regulations.

- ii. Variation between actual generation or actual drawal and scheduled generation or scheduled drawal shall be accounted for through UI charges.
- iii. UI for a generating station shall be equal to its actual generation minus its scheduled generation.
- iv. UI for a beneficiary shall be equal to its total actual drawal minus its total scheduled drawal.
- v. UI shall be worked out for each 15-minute time block. Charges for all UI transactions shall be based on average frequency of the time block and the following rates shall apply:

**Average frequency of time block (Hz)**

<b>Below</b>	<b>Not below</b>	<b>UI Rate (Paise per kWh)</b>
----	50.50	0.0
50.50	50.48	6.0
50.48	50.46	12.0
-----	-----	-----
-----	-----	-----
49.84	49.82	204.0
49.82	49.80	210.0
49.80	49.78	219.0

49.78	49.76	228.0
-----	-----	-----
----	-----	-----
49.04	49.02	561.0
49.02	-----	570.0

(Each 0.02 Hz step is equivalent to 6.0 paise/kWh in the 50.5-49.8 Hz frequency range, and to 9.0 paise/kWh in the 49.8-49.0 Hz frequency range.

- vi. The above average frequency range and UI rates are subject to change through a separate notification by the Commission. However, there will be at the most one such notification in a financial year.

**8. Applicability of Intra-state ABT:**

Intra-state ABT shall be applicable to the following:

- a. All erstwhile GEB i.e. GSECL owned generating stations;
- b. All generating stations owned or otherwise within the general ambit of the State Government by virtue of their being public sector entities or joint sector entities;
- c. All other Generators (i.e. IPPs, CPPs etc.) in the Private Sector who have contracted to supply power to Distribution Licensees/GUVNL.;
- d. All Distribution Licensees.

**9. In respect of following only UI Charge component of the Intra-State ABT will be applicable:**

- a. All CPPs injecting their generation for wheeling excluding wind and mini hydro generator;

- b. All generators having total capacity not less than 5 MW and up to 15 MW who have opted for injection into the grid for sale through Unscheduled Interchanges(UI) rate.

**10. Reactive power compensation**

- a. Reactive power compensation should ideally be provided locally, by generating reactive power as close to the reactive power consumption as possible. The beneficiaries are therefore expected to provide local VAr compensation/generation such that they do not draw VARs from the EHV grid, particularly under low-voltage condition.
- b. The VAr exchanges by any beneficiary with State Transmission System shall be priced as follows:
  - i. The beneficiary pays for VAr drawal when voltage at the metering point is below 97%
  - ii. The beneficiary gets paid for VAr return when voltage is below 97%
  - iii. The beneficiary gets paid for VAr drawal when voltage is above 103%
  - iv. The beneficiary pays for VAr return when voltage is above 103%
- c. The charge/payment for VARs, shall be at 5 paise / kVARh rate or as may be specified by GERC from time to time, and will be between the beneficiary and the State pool account for VAr interchanges. For any reactive energy charges payable to Regional REC Pool account, the same will be pooled with State reactive account and shared by all beneficiaries.
- d. Notwithstanding the above, SLDC may direct a beneficiary to curtail its VAr drawal/injection in case the security of grid or safety of any equipment is endangered.



- e. In general, the beneficiaries shall endeavour to minimize the VAR drawal at an interchange point when the voltage at that point is below 95% of rated, and shall not return VAR when the voltage is above 105%. Transformer taps at the respective drawal points may be changed to control the VAR interchange upon request by a beneficiary to the STU/SLDC, but only at reasonable intervals.
- f. Switching in/out of all 400 kV lines, bus/line Reactors throughout the grid shall be carried out according to the instructions of SLDC/RLDC. Tap changing on all 400/220 kV ICTs shall also be done only according to instructions of SLDC/RLDC subject to technical feasibility and in accordance with mutual consent of entities concerned.
- g. The generating companies shall generate/absorb reactive power according to instructions of SLDC, within capability limits of the respective generating units, that is without sacrificing on the active generation required at that time. No payments shall be made to the generating companies for such VAR generation/absorption.
- h. The reactive energy charges determined by the Commission in GETCO's Tariff order shall be applicable to wind energy generators and CPPs (under normal voltage conditions), who are also consumers.

At present such rates are as under:

(According to Tariff order dated 6<sup>th</sup> May 2006 in respect of GETCO's ARR/Tariff Petition 862/2006).

10paise/KVARH	For the drawal of reactive energy at 10% or less of the net energy exported.
---------------	--

25paise/kVARH

For the drawal of reactive energy at more than 10% of the net active energy exported.

Such charges shall be according to Tariff orders that may be issued by the Commission from time to time.

**11. Scheduling:**

All open Access users (excluding wind, mini hydel and generating stations having total capacity of not less than 5 MW and up to 15 MW opting for injection under UI) that are connected to the Grid shall schedule and dispatch according to instructions given by SLDC. The methodology of scheduling shall be according to provisions of Gujarat State Grid Code and Clauses 26 and 44 of GERC Tariff Regulations.

**12. Gaming**

- a. Generating Stations (excluding generating stations having total capacity of not less than 5 MW and up to 15 MW opting for injection under UI) generating up to 105% of the declared capacity in any time block of 15 minutes and averaging up to 101% of the average declared capacity over a day shall not be construed as gaming, and the generator shall be entitled to UI charges for such excess generation above the scheduled generation (SG).
- b. However, for any generation beyond the prescribed limits as cited in para 12 (a) above, the State Load Despatch Centre shall investigate so as to ensure that there is no gaming, and if gaming is found by the State Load Despatch Centre, the

corresponding UI charges due to the generating station on account of such extra generation shall be reduced to zero and the amount shall be adjusted in UI account of beneficiaries in the ratio of their capacity share in the generating station.

- c. A generating station with a total generation capacity not less than 5 MW and upto 15 MW opting for injection under UI shall not be covered under the above provisions for gaming.

**13. Demonstration of Declared Capability:**

- a. Any generating company may be required to demonstrate the declared capability of its generating station as and when asked by the State Load Dispatch Centre of the state. In the event of the generating company failing to demonstrate the declared capability, the capacity charges due to the generator shall be reduced as a measure of penalty.
- b. The quantum of penalty for the first mis-declaration for any duration/block in a day shall be the charges corresponding to two days fixed charges. For the second mis-declaration the penalty shall be equivalent to fixed charges for four days and for subsequent mis-declarations, the penalty shall be multiplied in the geometrical progression.
- c. The operating log books of the generating station shall be available for review by the SLDC. These books shall keep record of machine operation and maintenance.

**14. Metering and Meter reading:**

- a. All open access users (under clauses 8 and 9) shall provide ABT compatible interface meter according to the Central

Electricity Authority (Installation and Operation of Meters) Regulations, 2006.

- b. In case of divergence between provisions on metering and metering arrangements contained in various GERC orders and notifications and the provisions contained in the Central Electricity Authority (Installation and Operation of Meters) Regulations, 2006 the later shall prevail.
- c. Where, the entry point and exit point is connected to the network of Transmission system, it shall be the responsibility of the State Transmission Utility to take down the meter reading and record the metered data, maintain database of all the information associated with the interface meters and verify the correctness of metered data and furnish the same to various agencies.
- d. Where, however, the entry point and exit point is connected to the network of Distribution Licensee's system, it shall be the responsibility of the Distribution Licensee to take down the meter reading and record the metered data, maintain database of all the information associated with the interface meters and verify the correctness of metered data and furnish the same to various agencies.
- e. All concerned entities (in whose premises the special energy meters are installed), shall fully cooperate with the State Transmission Utility/State Load Dispatch Centre and extend the necessary assistance by taking weekly meter readings and transmitting them to the State Load Dispatch Centre.
- f. STU / SLDC shall formulate a procedure covering summation, collection and processing of tariff meter readings at various metering points. The Distribution Licensees shall formulate procedure for metering locations for Open Access

Customers within their own areas. Whenever necessary, these procedures shall be subject to revision by the utility.

**15. Energy Accounting:**

- a. A State Energy Account, for the billing and settlement of 'Capacity Charge', 'Energy Charge', 'UI Charge' and 'Reactive Charge' shall be prepared by the SLDC.

The energy accounting related to availability for capacity charges and schedules for energy charges shall be done by SLDC and bill will be raised and settled mutually by generating company/supplier and the beneficiary according to the PPA between the two.

Billing and settlement of 'UI Charge' and 'Reactive Charge' shall be carried out by SLDC.

- b. The SLDC shall be responsible for computation of actual net MWh injection of each generating station and actual net drawal of each beneficiary (Distribution Licennsee /Open Access Consumer), 15 minute-wise, based on the above mentioned meter readings and for preparation of the State Energy Accounts.
- c. All computations carried out by SLDC shall be open to all constituents for checking/verifications for a period of 15 days. If any mistake/omission is detected, the SLDC shall forthwith make a complete check and rectify the same.
- d. Such Account shall be examined and verified by a Committee comprising the SLDC, STU, DISCOMs and Generators:

Provided that in the case of Generators, only one representative from each class of Generators mentioned below shall be represented on the Committee:

- i. Gujarat Urja Vikas Nigam Limited (GUVNL)
  - ii. State Owned generating Companies (including those in the private sector and joint sector)
  - iii. Independent Power Producers (IPPs) in private sector
  - iv. IPPs in which State Government or its entities hold controlling interest.
  - v. Non-conventional Energy (NCE) Developers (Biomass, Mini-hydel, Hydro, Wind, etc.)
  - vi. CPPs
- e. SLDC shall periodically review the actual deviation from the dispatch and net drawal schedules being issued, to check whether any of the constituents are indulging in unfair gaming or collusion. In case any such practice is detected, the matter shall be reported to the Member-Secretary of the Committee for further investigation/action.
  - f. SLDC will forward the necessary data / schedules to regional level in line with Regulations formulated by Central Electricity Regulatory Commission.

**16. Commercial Settlement:**

- a. The beneficiaries shall pay to the respective generating company Capacity charges corresponding to plant availability and Energy charges for the scheduled dispatch. However, calculation of capacity charges and energy charges may be made according to their bilateral contract. (i.e. PPA)

The bills for these charges shall be issued by the respective generating companies to each beneficiary on monthly basis.

- b. In case of generation in excess of the dispatch schedule given by SLDC, the concerned generating company shall be additionally paid for excess generation through the UI mechanism approved by GERC from time to time subject to the provision of Gaming made under the clause 13 (a).
- c. In case of actual generation below the dispatch schedule given by the SLDC, the concerned generating company shall pay back through the UI mechanism for the shortfall in generation.
- d. In case of under drawal, the beneficiary shall be paid back through the UI mechanism, for the energy not drawn. However, this provision shall not apply to open access consumers.
- e. In case of energy drawn by the beneficiary, in excess of its drawal schedule given by SLDC, concerned beneficiary shall pay back through the UI mechanism for such excess drawal in each time block.
- f. In case of energy drawn by the Open Access Consumer in excess of its drawal schedule given by SLDC, such excess drawal for each time block, shall be deemed to have been supplied by the concerned Distribution licensee (in whose license area such Open access consumer is situated). Settlements of energy for such cases shall be as under:
  - i. The Distribution Licensee shall be paid for by the consumer at the prevailing UI rate for the drawal in excess of drawal schedule given to SLDC which is also in excess of contracted demand with Distribution Licensee.

- ii. The Distribution Licensee shall be paid for by the consumer according to the terms of the supply agreement with the Distribution licensee for the drawal in excess of drawal schedule given by SLDC but within the contracted demand with Distribution Licensee.
- iii. Since energy accounting under ABT / UI mechanism will be for each block of 15 minutes, such open access consumer's demand will be worked out based on 15 minutes integration period.
- g. In case of under drawal from the drawal schedule given to the SLDC, such consumer shall not be entitled for any UI benefits for deviating from schedule.
- h. The summation of station-wise ex-bus dispatch schedules from each generating station and any bilaterally agreed interchanges of each beneficiary shall be adjusted for transmission losses. Such corrected drawal schedule shall be compared with the actual net drawal of the beneficiary for UI charges.

Initially, the open access users shall bear average energy losses in the transmission system as notified by the Commission. After one quarter of the year, the open access users shall bear average energy losses in the transmission system as estimated by SLDC subject to a maximum of the values as notified by the Commission. The information regarding average energy losses for the previous 52 weeks shall be posted on the website of the SLDC.

- i. State pool accounts for (i) payments regarding unscheduled - interchanges (UI Account) and (ii) reactive energy exchanges (Reactive Energy Account), shall be prepared by the SLDC on



a weekly basis and these shall be issued to all constituents by Wednesday of the Week following the next Week for the seven-day period ending on the previous Sunday mid-night. Payment of UI charges and reactive energy charges shall have a high priority and the concerned constituents shall pay the indicated amounts within 7 (seven) days of the statement issued into a State UI pool account or a State Reactive Energy Account operated by the SLDC. The agencies who have to receive the money on account of UI charges or reactive energy charges would then be paid out from these pool accounts, within three (3) working days.

- j. The SLDC/STU may insist on appropriate payment security mechanism by way of Bank Guarantee or Bank Draft equal to seven days billing for scheduled energy either receivable or payable.
- k. If payments against the above UI and VAr charges are delayed by more than two days, i.e., beyond nine (9) days from statement issue, the defaulting constituent shall have to pay simple interest @ 0.05% for each day of delay. The interest so collected shall be paid to the constituents who had to receive the amount, payment of which got delayed. Persistent payment defaults, if any, shall be reported by the SLDC to the Member-Secretary of the Committee, for initiating remedial action.
- l. If total payment receivable in the UI pool account is more or less than UI payable, then UI payable/receivable will be suitably adjusted to make the payable and receivable amounts equal.
- m. The money remaining in the State reactive account after payout of all VAr charges upto 31<sup>st</sup> March of every year shall be utilized for training of the SLDC/ALDC operators, and other

similar purposes which would help in improving / streamlining the operation in the State grids, as may be decided by the Committee from time to time.

- n. In case the voltage profile of a State grid improves to an extent that the total pay-out from the State VAR charges account for a week exceeds the total amount being paid-in for that week, and if the State reactive account has no balance to meet the deficit, the pay-outs shall be proportionately reduced according to the total money available in the above account.
- o. The SLDC shall table the complete statement of the State UI account and the state Reactive Energy account in the Committee's meeting, on a quarterly basis, its consideration.
- p. All 15-minute energy figures (net scheduled, actually metered and UI) shall be rounded off to the nearest 0.01 MWh.

**17. Energy accounting and commercial settlement for the WEGs**

The Commission has kept the WEGs out of the Intra State ABT. However, for the purpose of physical measurement of energy, WEGs will have to provide ABT compliant meters.

Normally a wind farm will have several WEGs. The generation of wind energy takes place at low voltage. Then it gets stepped up to 11 or 33 kV for transmission to a pooling sub-station. This pooling sub-station is usually owned by either GEDA or (under the 2002 policy) by a Developer facilitating investment in WEGs. The wind energy is further stepped up from 11 or 33 KV to 66KV at pooling sub-station.

Then it gets into the grid through a GETCO sub-station. Above arrangement presupposes that each owner should have atleast minimum of one wind energy turbine.

If all the WEGs in a wind farm are owned by a single investor, the ABT compliant meter can be placed at the point of injection i.e. at 66KV end at the pooling sub-station only and by the developer/owner.

Where the WEGs are owned by more than one investor, the ABT compliant meter at the pooling sub-station will have to be installed by GETCO on 66 KV side. In addition, individual owners will also install ABT compliant meters on their 11 or 33 KV injection point.

In an existing wind farm with WEGs governed by the State Government's policy of 1993 and 2002, new WEGs may come up. The Developers or GEDA should separate out the feeders (going to pooling stations) from WEGs covered under State policy and from WEGs (that will be) covered under Commission's order. Such separation is essential for the purpose of settlement of accounts.

The meters shall be installed latest by 30th November 2006. The process of installation of ABT compliant meters as mentioned above shall be supervised by GEDA.

At the end of every week, based on the data downloaded from individual owner's ABT compliant meters, SLDC will issue a statement to GEDA for allocation of power (injected into the grid) to each distribution licensee, in each 15 minute slot. It shall be the responsibility of the Developer to download the meter reading from individual owner's ABT compliant meters and furnish the same to SLDC.

At the end of the month, the GEDA will give in respect of those owners of WEGs who are also self users of their generation, a owner-wise statement of active energy injection and reactive energy drawal of their WEGs, to concerned Distribution Licensees.

**Commercial settlement of WEGs installed under Wind Generation Policies of State Government issued in the years 1993 and 2002**

The existing wind energy policies (1993 and 2002) of the State Government contain a provision for banking of wind energy generation. Under this arrangement, the WEG gets set off against his captive consumption to the extent of his wind energy generation. Such set off is given based on his captive consumption (which in effect is the energy he draws from the licensee at the point of use) and his wind energy generation in three specified parts of the day over a six month period.

In respect of wind energy generating units set up under the 1993 policy of Government of Gujarat and who have opted

for wheeling for self use, the existing facility of six month banking shall continue till the agreement period. The WEGs set up during the operative period of the Wind Power Generation Policy-2002 (up to 19<sup>th</sup> June 2007) and who may have opted for wheeling for self-use, will also be eligible for the banking facility as envisaged in that policy. Any generation not consumed within the permissible banking period of six months will lapse.

The WEGs which came up under State Government's earlier policies will be governed till the Agreement periods (as may have been entered into under the State Government's policies of 1993 and 2002) by the applicable provisions of Set-off and payment under these relevant policies.

### **Commercial settlement for the new WEGs**

Any developer/investor opting for sale to distribution licensee will be covered by the Commission's order on wind energy tariff (No. 2 of 2006) from the date of its issue. Further after 19.6.2007, new WEGs either for captive use or for sale to distribution licensee will be governed by Commission's order on wind energy tariff (No. 2 of 2006).

As for wind energy generating units set up after 19<sup>th</sup> June, 2007 and who opt for self use, the generation from any such WEG shall be set off against the owner's monthly consumption at his manufacturing or other facility in a Distribution licensee area.

Any excess generation (over and above the set off against monthly consumption) will be treated as sale to the concerned distribution licensee at the tariff rate determined by the Commission's order on wind energy tariff (No. 2 of 2006). The Distribution Licensee shall make payment for any such excess generation in a given month, before the last day of the succeeding month.

Any excess consumption will be treated as sale by the concerned distribution licensee at retail tariff rates applicable to that consumer category (to which the facility of wind energy owner belongs) as determined by the Commission from time to time.

**18. Two-part tariff**

Implementation of intra-state ABT requires that all the generating stations and Distribution Licensees within the State should adopt a two-part tariff within the frame work of the existing PPAs. Appropriate action should be taken by all concerned to convert the existing single part tariff if any to two-part tariff in respect of all the generating stations and distribution Licensees.

- 19.** Under its Open Access Regulations the Commission has already directed the STU and SLDC to initiate actions for installation of an ABT compliant metering system, Discom-wise Area Load Dispatch Centres (ALDCs) are necessary prerequisites for implementation of Intra State ABT system. The Commission hereby directs STU/SLDC to expedite the

necessary action for implementation of Intra-State ABT and furnish report on these matters immediately. For installation of ABT compliant meters on old as well as new WEGs, GEDA will submit similar reports to the Commission.

- 20.** Since the Intra State ABT is being introduced in the State for the first time, the Commission would like to operate it as trial run (as a mock exercise) for a period of three months i.e. up to 30<sup>th</sup> November, 2006. During this period all the Commercial settlement will be based on the existing arrangement.

The actual working of Intra State ABT mechanism may necessitate adjustments. The SLDC/STU will be responsible for the implementation of Intra State ABT according to this order. The SLDC/STU should study and document the working of Intra-State ABT for a period of 6 to 9 months and submit a detailed report to the Commission.

The Commission based on the practical experience so documented, if considered necessary, will review the provisions of this order.

Sd/-  
**(Man Mohan)**  
**Member**

Sd/-  
**(K.P. Gupta)**  
**Member**

Sd/-  
**(G.Subba Rao)**  
**Chairman**