#### Before the

### MAHARASHTRA ELECTRICITY REGULATORY COMMISSION

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### Case Nos. 12 to 20 of 2020, 29 to 42 of 2020, 49 to 51 of 2020, 55 of 2020 and 56 of 2020

### <u>Coram</u> Shri. I. M. Bohari, Member Shri. Mukesh Khullar, Member

28 Cases of Renewable Energy Generators for Non-compliance of Common Order dated 30 September 2019 in Case Nos.172 of 2019, 173 of 2019, 176 to 181 of 2019, 185 to 194 of 2019, 200 to 224 of 2019 and MA No. 32 of 2019 and 33 of 2019 in respect of Regulation 19 of MERC (Forecasting, Scheduling and Deviation Settlement for Solar and Wind Generation) Regulations, 2018

Gajalaxmi Industries HUF and 27 Others	Petitioners
V/s	
<ol> <li>Maharashtra State Load Dispatch Centre</li> <li>Manikaran Analytics Limited</li> </ol>	Respondent 1 Respondent 2
Appearance:	
For the Petitioners in 28 Cases	: Shri Sandeep Sambhushete (Rep.)
For Respondent No.1	: Shri Eknath Dhengle (Rep.)
For Respondent No.2	: Shri Yash Dubey (Rep.)

#### **List of 28 Petitioners**

Sr No.	Case No.	Petitioner/MW					
1.	12 of 2020	M/s Gajalaxmi Industries_HUF	(0.600  MW)				
2.	13 of 2020	M/s Shivashri Techno Homes Pvt. Ltd.	(0.600 MW)				
3.	14 of 2020	M/s Ushahkal Nursing Home (0.600 MW)					

Sr No.	Case No.	Petitioner/MW					
4.	15 of 2020	M/s Sai Service Pvt. Ltd. (Connected at PSS Nandurabar)					
4.	13 01 2020	(1.5 MW)					
	16 of 2020	M/s Sai Service Pvt. Ltd. (Connected at PSS Sadawaghapur)					
5.	10 01 2020	(0.600 MW)					
6.	17 of 2020	M/s Bhanudas G. Raibage (Raysons Group) (Connected at					
0.	17 01 2020	PSS Sadawaghapur) (0.600 MW)					
7.	18 of 2020	M/s Rayson Marketing Pvt Ltd. (0.600 MW)					
8.	19 of 2020	M/s Sheela Shivaraj ( 0.600 MW)					
9.	20 of 2020	M/s S.K.Shivaraj (4.6 MW)					
10.	29 of 2020	M/s B.C.Umapathy_HUF (0.600 MW)					
11.	30 of 2020	M/s B.C.Chandrashekar_HUF (0.600 MW)					
12.	31 of 2020	M/s B.C.Shivakumar_HUF (0.600 MW)					
13.	32 of 2020	M/s BSC Textiles (0.600 MW)					
	33 of 2020	M/s B. S. Channabasappa and Sons (1.25 MW Wind					
14.		Generator connected at PSS Savlajand other 6.90 MW Wind					
14.		Generator connected at Sadawaghapur, Satara &					
		Ghatnandre)					
		M/s B. S. Channabasappa and Sons (6.95 MW Wind					
15.	34 of 2020	Generator connected at PSS Sadawaghapur, Vankuswade &					
		Malharpeth)					
16.	35 of 2020	M/s Sri Amareshwara Industries (0.600 MW)					
17.	36 of 2020	M/s Sri Laxmi Industries (0.600 MW)					
18.	37 of 2020	M/s S.K.Veerbhadrappa & Co. (1.85 MW)					
19.	38 of 2020	M/s S.K.Parik ( 0.350 MW and 1.25 MW)					
20.	39 of 2020	M/s Sun Irrigation Systems Pvt Ltd. (0.600 MW)					
21.	40 of 2020	M/s Shri Tejas Sizers (0.600 MW)					
22.	41 of 2020	M/s Jathar Textiles Pvt Ltd. (0.600 MW and 0.600 MW)					
23.	42 of 2020	M/s Balkrishna Sizing Industries (0.600 MW and 0.600					
23.	42 UI 2U2U	MW)					
24.	49 of 2020	M/s Vaanya Resources (1.250 MW)					
25.	50 of 2020	M/s Harshita Sales Corporation ( 0.600 MW)					
26.	51 of 2020	M/s Sridevi Trading Company (3.05 MW)					
27.	55 of 2020	M/s Sree Veerbhadreshwara Rice & Flour Mill (0.600 MW)					
28.	56 of 2020	M/s B. C. and Sons (1.250 MW)					

### **COMMON ORDER**

Date: 12 August, 2020

**1.** The Commission issued Common Order dated 30 September 2019 in Case Nos.172 of 2019, 173 of 2019, 176 to 181 of 2019, 185 to 194 of 2019, 200 to 224 of 2019 and MA No. 32 of 2019 and 33 of 2019 (**Common Order dated 30 September 2019**) under

Removal of Difficulties to implement MERC (Forecasting, Scheduling and Deviation Settlement for Solar and Wind Generation) Regulations, 2018 (**MERC F&S Regulations**, **2018**).

- **2.** Gajalaxmi Industries and 27 other Petitioners filed a Petition in the months between January 2020 to February 2020 before the Commission against the non-compliance of directives given to Maharashtra State Load Despatch Centre (**MSLDC**) in the Common Order dated 30 September 2019.
- 3. The issues in all these Cases being similar in nature, the Commission has heard them together at e-hearing through video conferencing on 26 June, 2020. Hence, the Commission has considered to issue Common Order in these 28 Cases.
- 4. The issue-wise main Prayers of these 28 Petitioners are as under:
  - a) Admit the Petition for non-compliance of the Order in Case Nos.172 of 2019, 173 of 2019, 176 to 181 of 2019, 185 to 194 of 2019, 200 to 224 of 2019 and MA No. 32 of 2019 and 33 of 2019.
  - b) Provide a trial/grace period to assess the challenges faced in compliance with the provisions of the Forecasting Regulation 2018 and amended procedure dated 19<sup>th</sup> December 2019 relating to scheduling and forecasting and penalty be levied for any deviation thereafter. Penalty being imposed for any deviation should be applicable post trial period.
  - c) Provide such other relief/reliefs which the Petitioners may be entitled to in facts and circumstances of these cases to for removing practical difficulties faced by the Petitioners in implementation of MERC (Forecasting, Scheduling and Deviation Settlement for Solar and Wind Generation) Regulations, 2018 and Order in Case Nos.172 of 2019, 173 of 2019, 176 to 181 of 2019, 185 to 194 of 2019,200 to 224 of 2019 and MA No. 32 of 2019 and 33 of 2019.
- 5. The brief facts as stated in one of the Petition (i.e. in Case No. 12 of 2020) are as given below:
- 5.1 Gajlaxmi Industries is having 0.600 MW wind power project connected at EHV pooling substation Sadawaghapur.
- 5.2 The Commission issued Common Order dated 30 September 2019 under removal of difficulties to implement Forecasting & Scheduling Regulations. 28 Petitioners as listed above have raised the following main concerns for non-compliance of the directives given by the Commission in the Common Order:
- 5.3 Issue I: Delay in issuance of amended F&S Procedure

- The Commission in its Common Order dated 30 September 2019 has directed Maharashtra State Load Despatch Centre (MSLDC) to amend the procedure under F &S Regulations and submit to the Commission for approval within 45 days from the date of Order. In compliance to the directives given in the Common Order, MSLDC published its draft amended F&S procedure on 25 October, 2019 and invited stakeholders' comments on or before 4 November, 2019. The final F&S procedure (Amendment) was delayed and has been declared on 19 December, 2019.
- Since the extended trial operation period has expired on 31 December 2019, the delay in finalizing amended F&S Procedure has affected the interest of Petitioners and the trial operation period has become a myth.

#### 5.4 Issue II: Activities related to metering arrangement for all RE Pooling Sub-Stations (PSS)

- The Commission in its Common Order dated 30 September 2019 has directed State Transmission Utility (STU) / Maharashtra State Electricity Transmission Co. Ltd./Distribution Licensees to undertake all the activities related to metering arrangement for all RE Pooling Sub-Stations (PSS) with immediate effect. This would ensure that, before finalization of amendment to the RE F&S Procedure, Qualified Co-ordinating Agency (QCA), STU and Distribution Licensees jointly shall be able to collect the meter data of all PSS and make available to MSLDC during extended trial period.
- The compliance to this directive is not yet streamlined by STU, MSLDC and QCA for all the PSS.

### 5.5 Issue III: Additional grace period for trial operations

• The Commission had granted 6 months trial period from 1 July, 2019 and Common Order was passed on 30<sup>th</sup> September, 2019 i.e. already 2 months were elapsed in release of the Common Order and during remaining 4 months period MSLDC failed to amend revised procedure within stipulated time i.e. 45 days. Hence, Petitioners are unable to utilize the period as was intended in the Commission's Order so as to streamline practical difficulties and achieve trial operations.

### 5.6 Issue IV: Implementation of all activities during the extended trial period

• The Commission in its Common Order dated 30 September 2019 has directed that, during the extended trial period, the PSS which are already registered, shall continue submission of Schedule to MSLDC and collection of meter data as per existing practices. During this period, MSLDC shall continue with implementation of all the activities such as scheduling of RE generation, computation of Absolute Error, RE Deviation and RE Deviation Charges, preparation of RE DSM Bills. The Commission further directed that during the extended trial period, MSLDC shall

publish the RE Schedule, Energy Accounting Statement and RE DSM Statement (including DSM bills) on its website for each QCA and every PSS, separately. These bills shall be issued to QCAs, however, QCAs shall not be required to pay the DSM charges against these DSM Bills during trial period of six months from 1<sup>st</sup> July,2019 i.e. upto 31<sup>st</sup> December, 2019. Further, QCAs shall also undertake Depooling of the RE DSM charges amongst RE Generators for their respective PSS, but no commercial transaction shall be done. With this, the commercial implementation of the RE F&S Regulation shall commence with effect from 1<sup>st</sup> January, 2020.

- The F&S activities were continued where QCA were appointed but till today Petitioners have never received outcome of the same from QCA as well as MSLDC. Besides, till date 100% QCA is not appointed for various Substations and hence, computation of Absolute Error, RE Deviation and RE Deviation Charges, preparation of RE DSM Bills cannot be determined.
- The Working Group has been ineffective in proper monitoring of the F&S framework.
- 5.7 The Commission's intention of allotting six (6) months trial period was to understand, identify, and rectify practical difficulties while implementing the subject Regulations, but it seems the purpose is still not resolved. Petitioners have further stated that the other Generators/Developers have made representation vide personal visits, emails and letters before the Commission and MSLDC highlighting the delay on the following issues:
  - i) Amended Procedures yet to be finalized.
  - ii) RTU accessibility still not provided to QCA even after repeated mails & discussion.
  - iii)Smaller PSS are not clubbed & registered.
  - iv) Many PSS like Ghatnandre, Malharpeth, etc. are not registered.
  - v) Our QCA has mentioned that fetching of meter data from substation is still not clarified.
- 5.8 MSLDC delayed in issuing the amended procedure. The said procedure was notified on 19 December 2019 with applicability of DSM charges commencing within 11 days i.e. on 1 January, 2020 and without compliance to the directives given by the Commission in its Common Order dated 30 September, 2019.
- 6. All 27 other Petitioners have re-iterated similar submissions in their respective Petitions as mentioned 4 and 5 above.
- 7. MSLDC, in its Common Reply dated 26 April, 2020 to 28 Cases, has stated as below:

- 7.1 The Commission notified its MERC F&S Regulations, 2018 on 20 July 2018. As per notifications dated 18 March 2019, the implementation date of the said regulation was on 1 July, 2019 from 00:00 Hours. However, vide Commission's Order dated 30 September 2019, the implementation date was revised to 1 January 2020 and directed MSLDC to amend the procedures in line with the rulings and principles stipulated by the Commission in that Order.
- 7.2 MSLDC, being an implementation agency of the MERC F&S Regulations, had immediately and promptly prepared the draft amended procedure which was displayed on the website for stakeholders' comments/suggestions on 24 October, 2019. The last date of submission of comments/suggestions was 4 November, 2019, which was further extended till 7 November 2019 on the request of stakeholders. On 13 November 2019, MSLDC submitted the draft amended procedure considering the comments/suggestions from stakeholders for appraisal & approval of Management. After deliberations and discussions on the draft amended procedure, approval from Management was received on 4 December 2019. The amended procedure was submitted to the Commission for approval vide email dated 5 December 2019. The Commission approved the amended Procedure on 19 December 2019 and on the same day, the approved amended Procedure was uploaded on its website by MSLDC. Thus, on the issue of delay in issuance of amended procedure, MSLDC has acted promptly.
- 7.3 On the issue of activities related to metering to all RE PSS, it is submitted that ABT meters at all EHV PSS are already in place. Vide letter dated 5 November 2019, MSLDC requested MSEDCL to ensure availability of ABT meters at 32 Nos. of 33 kV PSS. Accordingly, on 18 December 2019, MSEDCL confirmed the status of ABT metering availability at all 32 Nos. of PSS and provided the details of ABT metering arrangement required for modelling in Billing Software on 24 December 2019. Similarly, STU also confirmed the installation of ABT meters at all PSS connected to InSTS. Thus, Availability of ABT metering at each PSS is properly addressed by MSLDC, STU & MSEDCL.
- 7.4 On the issue of additional period of six months for trial operations, the scheduling activities of registered PSS were continued from 1 July, 2019 till 5 January, 2020 (6 months) without any commercial impact. The scheduling activities of newly registered PSS were started as and when registered with MSLDC. The RE schedules were integrated with existing scheduling software for calculation of generation availability. Further, during this period the meter data was not received from QCAs but based on the meter data available with MSLDC, sample bills of registered PSS for the period of 4 November, 2019 to 1 December, 2019 were prepared and shared with all the QCAs on 31 December, 2019 through mail, for trial on de-pooling amongst individual generators connected to PSS.
- 7.5 Further, on the issue of implementation of all activities during the extended trial period, the status of QCA registration as on 19 December, 2019 (on the date of declaration of amended Procedure) and on 6 January, 2020 (the date of commercial implementation of the Regulations) and as on 6 February, 2020 is given in the Table-1 below:

Table 1: Implementation Status of F&S Regulations as on 6 February, 2020

Sr.	Particulars	Wind		Solar		Total		% Increase in No. of Registered PSS after	
No.			MW	No	MW	No	MW	amended procedure	
1	Total No. of Pooling Sub-Stations identified	81	4953	34	1388	115	6341		
2	Total Applications Received & approved as on 19.12.2019	54	4291	26	1268	80	5559		
2 (a)	Total Applications Received & approved as on 06.01.2020	75	4902	31	1368	106	6270	32.5 %	
3	Pending Applications (to be received) from QCA/Generators as on 19.12.2019	27	662	8	120	35	782		
3 (a)	Pending Applications (to be received) from QCA/Generators as on 06.01.2020	6	51	3	20	9	71		
3 (b)	Total Applications Received & approved as on 03.02.2020	80	4945	33	1378	113	6323	41 %	
3 (c)	Pending Applications (to be received) from QCA/Generators as on 06.02.2020	1	6	1	10	2	16	1.73 % PSS to be registered	

- 7.6 From the above Table, it is observed that, post declaration of the amended procedure, only 2 (1+1) Nos. with 16 MW (6+10 MW) of PSS are un-registered as on 6 February, 2020. As per the Clause 4.9 of the Amended F&S Procedure, MSLDC requested MSEDCL to disconnect the Generators who have not completed the registration process with QCAs and accordingly MSEDCL has disconnected 2 such generators. The Grid Connectivity of these 2 Generators will be restored after compliance of the registration process. The details of disconnection and restoration of Generators and PSS as on 6 February 2020 are as follows:
  - (a) Disconnection of defaulting generators connected in the PSS: 479 Nos. (1447 MW)
  - (b) Restoration of generators connected in the PSS after completion of registration: 227 Nos. (961 MW)
  - (c) Disconnection of un-registered PSS: 26 Nos. (430 MW)
  - (d) Restoration of PSS after registration: 24 Nos. (414 MW)
  - (e) Disconnection of PSS remained as on 6.2.2020: 2 Nos (16 MW) (1 Wind- 6 MW and 1 Solar 10 MW)
- 7.7 From the above information, it can be seen that MSLDC has taken action of disconnection against such individual Generators which were connected to the PSS but not registered with the QCA. Further it may be noted that restoration of connection of Generator to the PSS was done only after completion of registration of Generators with QCAs. It also shows

- that registration of Generators connected in the PSS increased when MSLDC resorted to ensuring the compliance by PSS as per the amended procedure.
- 7.8 Un-registered PSS disconnected from the grid are not participating in the deviation calculation. The absolute error, RE deviation charges and RE-DSM bill are calculated only for Registered PSS and it does not include any contribution of deviation for un-registered PSS. Further, due to the need to modify the MSLDC's website, it was not possible to display RE DSM invoices on its website. Subsequently on 3 February 2020, sample bills for the period 4 November, 2019 to 1 December, 2019 were uploaded on MSLDC's website. These sample bills which are uploaded on website includes the PSS, Block-wise and QCA-wise weekly deviation account statements including the deviation charge and the state periphery impacts.
- 7.9 DSM Working Group and MSLDC have taken all necessary efforts to ensure smooth implementation of the F&S Framework in the State by 1 January 2020.
- 7.10Further, post declaration of the amended F&S Procedure, 11 numbers of 33 kV PSS (109.525 MW) were merged with the geographically/electrically nearest EHV PSS. Thus, difficulty in registration of smaller capacity PSS has also been resolved. On 19 December, 2019, MSLDC identified geographically / electrically nearest registered PSS and allotted 35 Nos. (736 MW) un-registered PSS to the respective QCAs. The details of individual generators connected to un-registered PSS has been maintained in the registry of MSLDC, which were shared with QCAs for seamless co-ordination with Generators. Out of these 35 Nos. of PSS, 10 Nos. (193 MW) PSS were registered based on the allotment by MSLDC whereas remaining 23 Nos. (543 MW) PSS were registered with 51% authorization by generators. For balance 2 Nos of PSS, one was disconnected, and the other's commissioned capacity was less than 5MW. On 9 August, 2019, a procedure for availing planned/forced outages affecting Wind & Solar Generation was circulated to MSETCL's field offices and QCAs to avoid any curtailments. Registration proposals from QCAs were processed by all the sections of MSLDC within 2-3 days from the receipt of the applications. Modelling in Forecasting & Scheduling Software was carried out on same day and QCAs were permitted to submit Schedules.
- 7.11 Some of the Petitioners have raised other issues which are not common and are not covered in the above Reply of MSLDC. The reply of MSLDC on these issues is as under:
  - a) <u>Amended Procedure is still not finalized</u>
     MSLDC has uploaded Amended procedure on its website on 19 December, 2019.
  - b) RTU accessibility still not provided to QCA even after repeated mails & discussion

    The RTU accessibility is required by the QCAs for SCADA data. As per Regulation
    5.9 of F&S Regulations & Clause 8 of approved procedure, it is responsibility of QCA to provide real time data of generation to MSLDC. Further, based on the directions

given in the Common Order dated 30 September, 2019, Working Group has suggested that, the MSLDC/STU shall explore the feasibility/possibility of sharing the real time generation data at its EHV S/S wherein QCA have faced difficulties in old WTGs (e.g. 250KW) only to facilitate implementation of RE F&S framework. As per the suggestion of the Commission, the SCADA data of PSS is already available on MSLDC's website which can be used by QCAs.

### c) Smaller PSS are not clubbed & registered.

After declaration of amended F&S Procedure, 11 Nos. of 33 kV PSS (109.525 MW) are merged with the geographically / electrically to the nearest EHV PSS. Thus, difficulty in registration of smaller capacity PSS has been resolved.

### d) Many PSS like Ghatnandre, Malharpeth, etc. are not registered.

PSS like Ghatnandre and Malharpeth are already registered vide letter dated 3 January, 2020 and 22 January, 2020, respectively. Moreover, on the date of Commercial implementation of the Regulations i.e. 6 January, 2020, out of total 115 PSS, 106 (6270 MW) were registered and only 9 Nos. (71 MW) were un-registered. Further, as on 6 February, 2020 out of total 115 PSS (6341 MW), 113 No. (6323 MW) of PSS are registered and only 2 (16 MW) PSS are un-registered. (One is disconnected, and other's commissioned capacity is less than 5MW).

### e) QCA has mentioned that Fetching of meter data from substation is still not clarified

Vide email dated 29 June, 2019, MSLDC has communicated all MSETCL's field offices to extend all the possible support to QCAs for performing various responsibilities as mandated by the Regulations. Further, MSLDC vide letter dated 15 January, 2020 has requested MSETCL's field offices to co-ordinate with nodal officers of QCAs and provide all possible support for seamless implementation of the Regulations. As such, all the required directives have been issued by MSLDC and it is the responsibility of QCAs to co-ordinate with field officers.

# 8. All 28 Petitioners have filed their common Rejoinder to MSLDC's reply on 8 May, 2020 which states as under;

- 8.1 As per MSLDC's reply, as against the 45 days approved by the Commission, MSLDC took a total 92 days for the amendment of F&S procedure. Thus, no sufficient time was given to Generators to acclimatize themselves with the new procedures.
- 8.2 For PSS like Ghatnandre and Malharpeth QCA were registered on 3 January 2020 and 22 January, 2020, respectively.
- 8.3 For fetching Meter Data by QCA, MSLDC wrote to MSETCL officials to support QCA on 15 January 2020. This shows that the procedures were not streamlined even till 15 January 2020.

- 8.4 The reply given by MSLDC shows discrepancy in DSM charges i.e.one PSS data is erratic, and no clarity is given on the calculation of State periphery charges. The concerns are detailed out below;
  - a) After amendment of Procedure and date of implementation of Regulation i.e. 1 January 2020, MSLDC has appointed QCA for those PSS where no QCA was appointed by Generators. For that only 14 days are given by the Commission/MSLDC. It is a fact that the appointment of the QCAs were delayed and the activity was completed in the month of January and February 2020.
  - b) MSLDC published Deviation Settlement report on its website on 17 February 2020 for the period from 6<sup>th</sup> to 26<sup>th</sup> January 2020 and subsequently DSM Bills were posted on website. It may be noted that if QCA registration for most of the new PSS was completed as late as in January and February then how did MSLDC derive the State periphery charges in absence of absolute deviation of entire PSS State level Deviation. This is not possible as per the Amended Procedure approved by the Commission.
  - c) Considering all the above points, calculation of DSM at PSS level and State periphery is not done transparently.
  - d) Besides, the Commission, vide its Common Order has issued directives to concerned stakeholders like, MSEDCL, QCA, MSLDC to remove the implementation difficulties which were not followed and MSLDC has shifted all the responsibility on QCAs and the Generators. These failures to comply with the directions of the Commission also include actions of STU to provide meter reading, MSLDC to provide RTU data to QCA, MSEDCL to communicate agreements and PPA details to MSLDC before end of each month etc.
  - e) By tying up the Deviation Charge payable by a RE generator with the deviation reflected at the State periphery and with the DSM weekly bill issued by the WRPC, the Regulations have subjected the RE generators to frequency-linked deviation settlement dispensation. This is directly in conflict with the provisions of the Electricity Act, IEGC and the Must Run status conferred on wind generators by the Commission under the MERC RE Tariff Regulations, 2015.
- 8.5 SCADA data available on MSLDC's website is in static form and it is very difficult for a QCA to refer to such data manually and forecast for future period. Since QCA is unable to forecast their RE generation for old WTGs based on MSLDC's available SCADA data, the Commission may consider to direct MSLDC to forecast RE Generation based on data available on its website.
- 9. Further to the Common Rejoinder of 8 May 2020, all 28 Petitioners in their common additional submission dated 25 June, 2020 stated as follows:

- 9.1 Petitioners are concerned with the applicability of DSM charges from 1 July 2020, as Test run is not done. As high wind season has started now, the DSM charges can affect their project viability.
- 9.2 The charges calculated at the State periphery and its applicability is not clear. This also affects DSM charges and in turn the viability of the project.
- 9.3 At some PSSs remaining projects are not registered with QCA. This would impact DSM charges and State periphery charges and burden would come on QCA appointed/registered for the project.

## 10. In its common Reply to 28 Cases dated 25 June, 2020, Respondent No.2 Manikaran Analytics Ltd. (MAL) has stated as under:

### 10.1 Activities related to metering arrangement for all RE PSS

QCAs are not authorized as an entity under Indian Electricity Grid Code for installation of meters and the same falls within the purview of STU/DISCOM. In the Common Order, it was held that metering arrangement should be streamlined in order to enable QCA/SLDC to fetch data. Until such metering arrangement is in place, data collection cannot be streamlined. MAL had to coordinate with circle officers to obtain meter data manually, however, owing to limited number of circle officers and manual site visit for data collection, meter data collection and onward submission to MSLDC could not be streamlined. Further majority of PSSs are located in remote areas and dedicated manpower is required to visit site along with limited circle officers of DISCOM to collect data through JMR. QCA's main job is to provide services of forecasting and scheduling and deviation settlement mechanism.

### 10.2 <u>Implementation of all activities during the extended trial period</u>

a) MAL complied with all the requirements and followed the MERC Regulations and the Common Order of the Commission, to the extent possible and within its control, including but not limited to submitting schedules as per applicable Regulation, collection of required data like availability of 85% SCADA data on real time basis from the Generator to the extent possible. However, calculation of deviation charges falls under the purview of MSLDC. MAL, in order to provide its services and calculate deviation charges, needs various data and formulae for calculation. Furthermore, the mechanism of charges at State periphery level is not clear because the Back-up calculation data is not provided by MSLDC. It is submitted that without calculation criteria and data of State periphery level, MSLDC cannot provide deviation charges statement to Generator. MAL further highlighted that, DSM bills were shared by MSLDC with all QCAs on 31 December, 2019 without any supporting documents and calculation criteria and at the same time QCAs were required to get all the PSSs registered since commercial applicability of the F&S

- Regulations was to commence w.e.f. 1 January, 2020. Also in case of failure of the QCA to register, it would have resulted in disconnection of the Turbines.
- b) Furthermore, all data required from Generators to do de-pooling was not provided and the number of generators on a PSS also got changed on multiple occasions Thus, without clarity on the above issues, conducting de-pooling was an impossible task.
- c) Also, with regard to the availability/access to the meter data, MAL faced various difficulties since the QCAs' authorised representatives were denied entry at the site without an approval letter from MSLDC. This can be considered as a reason for the non-availability of meter data to the QCA.
- 11. At the e-hearing through video conferencing held on 26 June 2020, Petitioners and Respondents re-iterated their submission as made out in their Petitions and Replies.

### Commission's Analysis and Ruling:

- 12. 28 Petitioners through the instant Cases have requested for additional trial/grace period for commencing the implementation of the F & S Regulations and that no penalty should be imposed during this trial period. The Petitioners could not avail additional 6 months of trial period as provided by the Commission in its Common Order dated 30 September 2019 as MSLDC delayed issuance of amended procedure. Petitioners have further contended that there is no clarity on the calculations of DSM charges at State periphery.
- 13. MAL has contended that the backup data requirement for the calculations of deviation charges and DSM charges at State periphery is not provided by MSLDC and hence there is difficulty in calculation of DSM charges for RE Generators. Further there is difficulty in the collection of metering data by the QCAs. The main role of QCA is to provide services of forecasting, scheduling, and deviation settlement mechanism.
- 14. On the other hand, MSLDC has opposed the contentions of Petitioners stating that there was no non-compliance by MSLDC while issuing the amended procedure. The process required extensive consultation with stakeholders, formulation of the amended procedure after addressing the concerns of all the stake holders and thereafter submission/approval of the Commission. After completing the process, the amended procedure was issued on 19 December 2019. On the issue of activities related to Metering to all RE PSS, MSLDC contended that ABT meters at all PSSs are already in place and metering activities have been streamlined.
- 15. MSLDC has further submitted on the issue of additional period of six months for trial operations that, the scheduling activities of registered PSS had smoothly been conducted from 1 July, 2019 till 5 January, 2020 (6 months) without any commercial impact. The PSS-wise, Block-wise & QCA-wise Weekly Deviation Account Statements including deviation charges & State periphery impact have been calculated and uploaded on MSLDC

website on 3 February 2020 for sample billing period from 4 November, 2019 to 1 December, 2019.

- **16.** Based on these grounds/contentions and having heard the Parties and after taking on record various submissions filed by all the Parties, the Commission frames following issues for its consideration in the present matter:
  - i. Whether there is necessity to extend the trial period on account of delay in issuance of Amended Procedure?
  - ii. Whether metering arrangements are available for all RE Pooling sub-stations (PSS)?
  - iii. Whether implementation of all the scheduled activities have been conducted during the extended trial period?
  - iv. Whether De-pooling of RE DSM Charges amongst all RE generators has been done by QCA for respective PSS?

The Commission has dealt with all the above issues in the following paragraphs:

## 17. <u>Issue I: Whether there is necessity to extend the trial period on account of delay in issuance of Amended Procedure?</u>

- i. As per the MERC F&S Regulations, 2018 notified on 20 July 2018, the commercial implementation of the Regulations was scheduled from 1 April 2019. However, upon the request of stakeholders, the date of implementation was deferred and the same was rescheduled to 1 July, 2019. Meanwhile, 43 RE Generators approached the Commission in Case Nos.172 of 2019, 173 of 2019, 176 to 181 of 2019, 185 to 194 of 2019,200 to 224 of 2019 and MA No. 32 of 2019 and 33 of 2019 under the provisions of Regulation 19 of MERC F&S Regulations, 2018 for Removal of difficulties in giving effect to the provisions of Regulations and implementation thereof. The Commission passed the Common Order dated 30 September, 2019 in the matter and ruled that commercial implementation of the Regulations would be commenced from 1st January, 2020.
- ii. In the Common Order, the Commission considered various difficulties raised by RE Generators for implementing F&S Regulations, 2018. The DSM Working Group assisted the Commission in identifying the additional practical issues and also suggested options to remove the genuine difficulties of RE Generators so as to ensure smooth implementation of F&S Regulations in the State.
- iii. The Commission notes that MSLDC prepared draft amended procedure for removing difficulties in implementation of its original procedure and published on MSLDC's website on 24 October 2019 for stakeholders' comments/suggestions with last date as 4 November 2019. This last date was further extended upto 7

November 2019 based on the request of stakeholders. MSLDC provided sufficient time (2 weeks) for stakeholders to offer their suggestion/comments. Comments/suggestions received from stakeholders were reviewed by management of MSLDC. After deliberations/discussions, the management of MSLDC approved the same on 4 December, 2019. Thereafter the Commission accorded its approval on 19 December 2019. The approved amended procedure was uploaded by MSLDC on its website on 19 December 2019 itself.

- iv. The Commission notes that there has been a delay in finalising the amended procedure and the same has been relied upon by the Petitioners for seeking additional time. The Commission vide its Common Order dated 30 September 2019, had clarified that, during the extended trial period, the PSS which were already registered, shall continue submission of Schedule to MSLDC and collection of meter data and uploading the mandated information in RE F&S Software as per existing practice. During the trial period, MSLDC continued with implementation of all the activities related to F&S framework such as scheduling of RE generation, computation of Absolute Error, RE Deviation and RE Deviation Charges, preparation of RE DSM Bills, etc.
- Further, the original F&S procedure was approved by the Commission on 7 v. December, 2018 itself which amongst other things had provided for the appointment of QCA by generators within PSS and QCA registration with MSLDC. The Commission in its Common Order had noted that some of the RE Generators had appointed the QCAs for PSS and those QCAs were also registered with MSLDC. There were PSS specific issues which were addressed by the Commission in its Common Order by providing sufficient clarity and directing MSLDC to suitably amend the F&S procedure in line with the provisions of the Common Order of the Commission. The amendment to the F&S procedure was for specific issues raised by the stakeholders and ruling of the Commission in the Common Order for ensuring seamless implementation of F&S Regulations. The Commission is of the view that, since December 2018 itself, it was made absolutely clear that the RE Generators were required to appoint QCA for the PSS and QCAs were required to submit schedule for its RE generation. Also, the conditions under which RE Generators were liable to pay DSM charges under the provisions of F&S Regulations were also specified.
- vi. With this background, the Commission is of the view that, the Petitioners were expected to approach the MSLDC for registration through their QCAs based on the provisions of F&S Regulations 2018, MSLDC's Original Procedure dated 7 December, 2018 and directives of the Commission in Common Order dated 30 September, 2019 and the amended F&S procedure approved by the Commission on 19 December 2019. Further, the draft F&S procedure which clearly mentioned the requirement of QCA, was also available from 24 October, 2019 for guidance to Petitioners for registration of QCAs and also for resolving their other issues.

- vii. The Commission observes that the procedural delay highlighted by the Petitioners has not adversely impacted them when the additional 6 months of trial period was provided by the Commission vide its Common Order. The PSSs that have timely registered with MSLDC as per the provision of the F&S Regulations and F&S procedure dated 7 December, 2018 have fully availed the trial period of more than 6 months. Hence, the Commission does not find any merit in providing additional trial/grace period on account of delay in registration of PSS. In fact, the Commission notes that in spite of clarity about the requirement of the Registration since December 2018, the Petitioners have not acted in time.
- viii. The Commission also notes that, all the stakeholders including MSLDC, STU and MERC DSM Working Group have taken all the necessary efforts to ensure commencement of commercial implementation of F&S framework. Thus merely on account of the delay in notifying the amended procedure, without going into the details of the efforts taken by STU, MSLDC and DSM Working Group, it may not be appropriate to conclude the procedural delay highlighted by the Petitioners as non-compliance of the Commission's directions.

# 18. <u>Issue II: Whether metering arrangements are available for all RE Pooling sub-stations (PSS) ?</u>

i. In the Common Order dated 30 September, 2019, the Commission had considered the difficulties and views of all the Stakeholders regarding the metering arrangement and its importance in implementing the F&S Framework. Accordingly, the Commission had directed STU/MSEDCL to complete the metering arrangements. The relevant extract of the same is provided as under:

"In view of the above recommendations of the Working Group, the Commission is of the view that, metering arrangement with AMR facility for all interface points including PSS is expected to put in place by STU as part of implementation of DSM framework in the State and accordingly, the Commission thinks it fit to direct as under:

- a) STU to prioritize AMR installation for interface points of PSS.
- b) Discoms/STU/Transmission Licensees shall install SEMs at various PSS which are not having SEMs within one month from date of issuance of this Order.
- c) MSLDC to coordinate with QCA, STU/ Transmission Licensees and concerned Discom to establish protocol for joint meter reading of interface points of PSS and provide meter data (15-min) to SLDC on monthly basis (i.e. 4-weekly) for previous month on or before 15th of every month. STU and concerned Transmission Licensees to facilitate the availability of MRI instruments to QCAs.

- d) MSLDC to issue monthly (4-weekly) bills in the initial phase of F&S implementation till operationalizing AMR or any alternate arrangement for collecting the meter data on weekly basis. However, the Deviation Accounting, Computation of DSM charges and Settlement thereof shall be undertaken on time block wise for each week. Further, QCA and RE generators within PSS shall be responsible for ensuring meter reading, recording, maintaining data and energy account of individual RE generators, for De-Pooling purpose.
- e) This arrangement shall be continued in the absence of AMR facility."
- ii. In its response dated 18 December, 2019, MSLDC has submitted that MSEDCL has confirmed about availability of ABT metering at all the 33 kV PSS and the details of all such ABT Meters were provided to MSLDC for billing. Thus, all the issues related to metering arrangements for all RE PSS were addressed by MSLDC, STU & MSEDCL with the support of QCAs of PSS.
- iii. Thus, it is evident from above submissions of MSLDC that, all the required metering arrangements as directed by the Commission in the Common Order dated 30 September, 2019 have been complied by the concerned entities for timely implementation of F&S Framework.
- iv. In addition, as directed by the Commission in the Common Order that STU is required to complete the metering arrangement with AMR facility for PSSs as a part of DSM implementation, the same is stated to be under progress. However, in the absence of AMR facility, the Commission vide its Common Order has already provided relaxation from weekly meter reading to four weekly meter reading. The Commission had directed MSLDC to coordinate with QCA, STU/Transmission Licensees and concerned Discom to establish protocol for joint meter reading of interface points of PSS and STU to facilitate the availability of MRI instruments to QCA. The Commission also notes that, in absence of metered data from QCA, MSLDC is using MRI data available with them for preparation of bills for RE deviation charges. Hence, the Commission is of the view that, the metered data related difficulties raised by the Petitioners are addressed by MSLDC post filing of the Petitions and therefore, the Commission does not find any necessity to pass any other specific directive in this regard.
- 19. <u>Issue III:</u> Whether Implementation of all the scheduled activities have been conducted during the extended trial period?

And

20. <u>Issue IV:</u> Whether De-pooling of RE DSM Charges amongst all RE generators has been done by QCA for respective PSS?

- i. The Commission notes the submission of MSLDC that, post declaration of the amended procedure, PSS registrations increased from 80 Nos. to 113 Nos. The 2 Nos. of unregistered PSS have been disconnected by MSEDCL from the Grid and PSS having capacity below 5 MW are excluded as per the applicability of F&S Regulations. Such PSS are not contributing to the deviation of the registered PSS.
- ii. The Commission sought the current status of PSS Registration from MSLDC, wherein MSLDC has submitted the following updated status:

Sr.	Type of	Covered under F&S			ded from S&S	Total	
No. PSS	Nos.	MW	Nos.	MW	Nos.	MW	
1	Wind	77	4402	2	5.75	79	4408
2	Solar	35	1283	*75	161	110	1444
3	Hybrid	4	675			4	675
4	Total	116	6360	77	166.75	193	6527

<sup>\*</sup>Solar PSS under "Mukhyamantri Krushi Saur Vahini Yojana" are excluded from F&S framework as per the provisions of F&S Regulations.

Thus, out of total 193 PSS, the Regulations have been made applicable to all the generators connected to 116 Nos. of PSS which are having combined installed capacity of 5 MW & above. The Commission notes that, the MSLDC has implemented the PSS registration related directives of the Commission in the Common Order and completed registration process of PSS.

- iii. With regard to activities related to the appointment of QCAs and generation of DSM bills to the registered PSS, the Commission has taken note of the MSLDC's reply that all the F&S related procedures were performed as directed by the Commission in the Common Order. The Commission thus rules that the Petitioners' submissions about non-compliance on the part of MSLDC are not substantiated.
- iv. The Commission also notes that, MSLDC has communicated to MSETCL's field offices to extend the necessary support to QCAs for undertaking various responsibilities as entrusted by F&S Regulations. Further, MSLDC vide letter dated 15 January, 2020 requested MSETCL's field offices to co-ordinate with nodal officers of QCAs and to provide all possible support for smooth implementation of F&S Regulations.
- v. The Commission in its F&S Regulations and subsequent Orders has specified that, in the absence of AMR facility, QCA in co-ordination with STU/Transmission Licensee/Distribution Licensee shall download the weekly

meter data on monthly (4 weekly) basis using Meter Reading Instrument (MRI) of each Pooling Sub-Station and upload the encrypted file on MSLDC Web-Portal. It was also directed that the QCA, STU, Transmission Licensee & Distribution Licensee shall nominate Pooling Sub-Station-wise representatives for joint meter reading and submit the contact details to MSLDC for further coordination. Further QCA shall be solely responsible for De-Pooling of DSM Charges within the RE Generators in the PSS.

- vi. The Commission notes the confirmation of MSLDC that all PSSs are metered and MSLDC is receiving meter data on regular basis. However, if there is any PSS specific issue, MSLDC would co-ordinate with STU and QCA to resolve the same at the earliest and also to ensure that, the authorised representative of QCA is allowed to collect the generation meter data as per the amended procedure, on regular basis. All the stakeholders need to ensure that, the RE DSM computation and DSM bills preparation shall not be delayed on account of delay in collection of generation meter data of PSS.
- vii. Further, Petitioners have raised the issue that they did not get to know from the QCAs and MSLDC on the status of implementation of various activities under F & S Regulations such as De-pooling of RE DSM Charges amongst the RE Generators, settlement of Deviation charges etc. In this context, the Commission is of the view that the provisions of the F&S Regulations and F&S Procedure are amply clear and state that based on the DSM Charges of PSS shared by MSLDC, QCAs are responsible for De-Pooling of DSM Charges amongst the RE Generators of PSS. Further, RE Generators are required to co-ordinate with their respective QCAs to get the information as and when required by their QCAs. In addition, Regulation 5.5 of F&S Regulations and Clause 4.9 of amended procedure provides that there shall be mutual agreement between QCAs and the concerned Generators, on the commercial and other arrangements between them.
- viii. The Commission is of the view that, the commercial implementation of F&S framework has duly commenced in the State from 1<sup>st</sup> week of January 2020. Some practical issues that might arise during implementation can be addressed by MSLDC within the provisions of the F&S Regulations and Procedure thereunder. The Clause No. 22.3 of the Amended F&S Procedure directs MSLDC to review the implementation issues and suggest the amendment to the procedure if any and submit for approval of the Commission.
  - 22.3. This procedure aims at easy and pragmatic Forecasting, Accounting and Settlement of Deviations for Wind and Solar Generations. However, some teething problems may still be experienced. The various implications would be known only after practical experience is gained by way of implementing these procedures. In order to resolve the same, this

### procedure shall be reviewed or revised by the MSLDC with prior approval of Commission.

### Other Issues and computation of impact of RE Deviation at State Periphery:

- 21. As regards the issue raised by some of Petitioners that RTU accessibility for old WTGs is still not provided to QCAs even after repeated emails and discussion, the Commission notes that as per the Regulation 5.9 of the MERC F&S Regulations, 2018 and as per Clause 11 of the amended procedure, it is the responsibility of the QCAs/Generators to provide the real time SCADA generation data to MSLDC. Further, the Commission in its Common Order dated 30 September, 2019 has directed that, QCAs, MSLDC and STU shall clearly identify the specific PSS where old WTGs are operating and QCAs are facing difficulty in arranging RTUs/SCADA data. Under these circumstances, the Commission is of the view that, accessibility to RTU for SCADA data in such cases shall have to be provided by MSLDC considering the feasibility on case to case basis. Further, MSLDC has also submitted that, the SCADA data of PSS is already available on MSLDC website, which may be used by QCAs. Usability of this SCADA data made available by MSLDC needs to be ascertained by individual QCAs.
- 22. The Petitioners have also submitted that the smaller PSSs are not clubbed and many PSS like Ghatnandre, Malharpeth, etc. are not registered. In this context, the Commission notes the submission of MSLDC and subsequent submission of Petitioners that, all smaller PSS including Ghatnandre, Malharpeth, etc. have been successfully registered with MSLDC. The details of PSS registration are discussed by the Commission in the Para 19 and 20 above.
- 23. Further, the Petitioners have submitted that, lack of clarity/details of assumptions in the calculations of the DSM Bills at State periphery is causing difficulty in de-pooling. The Commission notes that, MSLDC has provided illustrations in the amended F&S procedure for understating the various cases of DSM charges and its computation. The details of DSM Charges computation and responsibility for De-Pooling is discussed by the Commission in the Para 19 and 20 above. The QCAs may approach MSLDC for seeking more clarification on the DSM bills prepared and the data used for DSM computation as when MSLDC issues the draft bills for DSM Charges to QCAs.
- 24. The Commission further notes the submission of MSLDC that the un-registered PSS, which are disconnected from the grid, are excluded from the deviation calculations of the PSS and the same would not be burden on the other registered RE Generators connected in the PSS. Thus, in the opinion of the Commission, the Petitioners may study the deviation computations with reference to the provisions of F&S Regulations, Illustrations provided in the amended procedure and the Commission's Order. In case of any difficulty in understanding, the petitioners can always take guidance from MSLDC in understanding the same. The MSLDC shall also make available the data used for computation of DSM Charges while issuing the provisional bills to QCA, so that QCAs would be able to confirm the computations of MSLDC with supporting data.

- 25. As regards the issue of applicability of State periphery impact on computation of DSM Charges, the Commission observes that the provisions for recovery of DSM charges towards component of State periphery charges on account of RE deviations is covered as part of the RE F&S Regulations and the rationale for same has been extensively covered under Statement of Reasons as well as under Commission's Order dated 30<sup>th</sup> September 2019 in the matter of Case Nos.172 of 2019, 173 of 2019, 176 to 181 of 2019, 185 to 194 of 2019,200 to 224 of 2019 and MA No. 32 of 2019 and 33 of 2019. Any request for modification to the same cannot be raised in present Petition which is to seek additional period of trial run and to address implementation difficulties, if any. However, the issue of clarification in the computations of such impact in the RE DSM bills has been dealt with under subsequent paragraphs.
- **26.** The Petitioners have stated that the Additional Deviation Charge payable by RE generators with the deviation reflected at the State periphery and the Regulations thereof have subjected the RE generators to frequency-linked deviation settlement dispensation and it is directly in conflict with the provisions of the EA, IEGC and the Must Run status conferred on wind generators under the MERC RE Tariff Regulations 2015. In this context, the Commission observes that the provisions of F&S Regulations have achieved finality upon following due regulatory process for finalisation of F&S Regulations including stakeholder consultation thereof. Further, the Commission in its SOR to the F&S Regulations and as further reiterated in the above referred Order dated 30 September 2019 has provided the rationale for levy of component of RE DSM charges to cover partial impact of state periphery charges. In the absence of availability of PSDF/NCEF funds to meet the shortfall of DSM charges at the State Periphery caused on account of deviations of RE Generation, the shortfall, if any, will be borne by the retail consumers through Distribution Licensees' payment in the State DSM Pool. This may lead to additional burden on the tariff for retail consumers. Hence, MERC F&S Regulations provide for apportioning the shortfall/surplus in the deviation charges applicable to State on account of net RE deviation and Deviation charges collected by the RE generators (QCA) if any to the RE generators responsible for the same. The Commission in the said Order also observed that the F&S Regulations framed by the Commission are not ultra vires with the provisions of the EA, 2003, IEGC and RE Tariff Regulations. Further, the Commission in its RE Tariff Regulations 2019 has already specified that RE Generators are considered as must run and they are not subjected to merit order despatch principle. Hence, the provision of F&S Regulations, do not take away the Must Run status of RE Generators. The provisions of MERC F&S Regulations are to introduce scheduling discipline as envisaged in the Grid code and mandate RE Generators to provide advance scheduling to facilitate the real time operation of grid by MSLDC. In real time the RE Generators, if they deviate from schedule, will be accommodated in the Grid, subject to Grid safety parameters specified under State Grid Code and IEGC and would be subjected to applicability of deviation charges. Hence, the applicability of DSM Charges and Must Run status are distinct issues and should not be linked together.
- 27. The Commission observes that, MSLDC in its amended procedure has clarified the basis of computation of DSM charges including impact of State periphery alongwith the

necessary illustrations. Accordingly, the commercial implementation of the F&S Regulations has commenced from 6 January, 2020 (being first Monday of January month) and MSLDC is regularly scheduling the RE generation and issuing the bills for RE deviation charges to the PSS in line with the provisions of F&S Regulations 2018 and procedures made thereunder.

- **28.** However, in view of the concerns raised by some of the Petitioners about the absence of clarity on computation of the State periphery charges covered in DSM bills, the Commission notes that, it will be prudent to undertake scrutiny of the sample bills so as to ascertain whether or not the computation of claims towards impact of state periphery charges in RE DSM bills are reflective of the principles stipulated under F&S Regulations and procedures formulated thereon.
- 29. Accordingly, the Commission directs the DSM Working Group to undertake detailed scrutiny of the computation of impact of the State Periphery Charges in RE DSM bills vis-à-vis the requirements laid down under the procedure and the Regulations. The Commission also directs MSLDC to extend necessary co-operation to DSM Working Group and provide all required data for undertaking analysis. The DSM Working Group would complete the analysis of the sample RE DSM bills already issued by MSLDC, within three months from the date of issuance of this Order and submit its report to the Commission.
- 30. In the meantime, as an interim arrangement and in exercise of its powers under Regulation 19 of MERC F&S Regulations to remove difficulties in implementation, the Commission finds it appropriate, to defer levy of impact of State Periphery Charges as specified under Regulation 12.1(d) of MERC F&S Regulations until further notice. Accordingly, the Commission directs MSLDC that, from the date of issuance of this Order, it would compute the impact of State Periphery Charges as per existing procedure, however while issuing the RE DSM bill to QCAs, only the RE DSM Charges at PSS level as specified under Regulation 7.2 of MERC F&S Regulations [viz. Excluding reference to Regulation 12 as per footnote at Table-1 of Regulation 7.2 of MERC F&S Regulations] shall be made applicable and the impact of State Periphery Charges [on account of Regulation 12.1(d)] shall not be considered till the further directions of the Commission in the matter. The Commission also clarifies that, based on the outcome of the analysis of the DSM Working Group, the Commission shall decide the further course of action with respect to component of RE DSM State Periphery Charges already collected and to be collected in the future bills by MSLDC.
- **31.** In view of the foregoing discussion the Commission does not find any merit in the contentions of the Petitioners regarding grant of any additional trial/grace period for implementation of the F&S Regulations. However, the Commission considers the concerns of the Petitioners to provide the clarity on computation of the State periphery charges included in DSM bills.
- **32.** Hence the following Order.

### **COMMON ORDER**

- 1. The Cases bearing Nos. 12 to 20 of 2020, 29 to 42 of 2020, 49 to 51 of 2020, 55 of 2020 and 56 of 2020 are partly allowed.
- 2. The Petitioners' prayer for additional trial/grace period for implementation of the F&S Regulations is rejected.
- 3. The DSM Working Group is directed to undertake detailed scrutiny of the computation of impact of the State Periphery Charges vis-à-vis the requirements laid down under the procedure and the Regulations. Maharashtra State Load Dispatch Centre is directed to extend necessary co-operation to DSM Working Group and provide all the required data for undertaking analysis. The DSM Working Group would complete the analysis of the sample RE DSM bills already issued by Maharashtra State Load Dispatch Centre within three months from the date of issuance of this Order and submit its report to the Commission.
- 4. From the date of issuance of this Order, Maharashtra State Load Dispatch Centre would compute the impact of State Periphery Charges as per existing procedure, however while issuing the RE DSM bill to QCAs, only the RE DSM Charges at PSS level as specified under Regulation 7.2 of MERC F&S Regulations [viz. Excluding reference to Regulation 12 as per footnote at Table-1 of Regulation 7.2 of MERC F&S Regulations] shall be made applicable and the impact of State Periphery Charges [on account of Regulation 12.1(d)] shall not be considered till the further directions of the Commission in the matter.
- 5. Based on the outcome of the analysis of the DSM Working Group, the Commission shall decide the further course of action with respect to component of RE DSM State Periphery Charges already collected and to be collected in the future bills by MSLDC.

Sd/-(Mukesh Khullar) Member Sd/-(I. M. Bohari) Member

