

**BEFORE THE TAMIL NADU ELECTRICITY REGULATORY COMMISSION,  
CHENNAI**



Filing No :  
Case No : M.P. No. of 2025  
In the matter of : Petition under TNERC (Grid connectivity and Intra-State Open Access) Regulations, 2014, for determination of additional surcharge payable by open access consumers availing power under open access for the period from 01.04.2025 to 30.09.2025 based on the data for the period from 01.04.2024 to 30.09.2024.

Tamil Nadu Power Distribution Corporation Ltd.  
(TNPDCCL)  
NPKRR Maaligai,  
144, Anna Salai,  
Chennai – 600 002

..... Petitioner

**Petition filed by the Petitioner**

(Petition filed under section 42(4) of Electricity Act 2003. Read with Regulation 24(1) of the TNERC Grid Connectivity and Intra State Open Access Regulations 2014)

**The Petitioner named above respectfully states as under:**

**1 Overview of TNPDCCL:**

- 1.1 Tamil Nadu Electricity Board (TNEB) came into existence on 1st July 1957 under the repealed Act of Electricity (Supply) Act 1948 and has been in the business of generation, transmission and distribution of electricity in the state of Tamil Nadu.
- 1.2 The enactment of the Electricity Act, 2003 has opened up the power sector for competition in all spheres of activities. TANGEDCO as the State Generation and Distribution Utility is entrusted with the duty of generating power and distribution of the same to the end consumers with effect from 01.11.2010 through its generating stations and vast distribution network.
- 1.3 The Government of Tamil Nadu, Energy Department has issued orders for restructuring of Tamil Nadu Generation Distribution Corporation Limited

(TANGEDCO) into separate generation and distribution companies as detailed below:

1.3.1 Formation of Thermal Generation company in the name of Tamil Nadu Power Generation Corporation Limited(TNPGCL)under the companies Act,2013 vide G.O.Ms.No.6 , ENERGY (B2) DEPARTMENT, Dated:24.01.2024.

1.3.2 Formation of Tamil Nadu Green Energy Corporation Limited(TNGECL) under the Companies Act,2013 by integrating Renewable Energy wing of TANGEDCO and merger of Tamil Nadu Energy Development Agency(TEDA) with the new company vide G.O.Ms.No.7 , ENERGY (B2) DEPARTMENT, Dated:24.01.2024.

1.3.3 The Ministry Of Corporate Affairs has notified the name change of Tamil Nadu Generation And Distribution Corporation Limited (TANGEDCO) to Tamil Nadu Power Distribution Corporation Limited (TNPDC) on 27.06.2024 vide GoI, Hon'ble Ministry Of Corporate Affairs, approved dated:27.06.2024.

1.4 Contracted capacity of TNPDC as on 01.04.2024 is as follows:

Sl. No.	Generation Category	Installed capacity (in MW)
1	Thermal	4320.00
2	Gas	408.20
3	Central Generating Stations - Share	6724.00
4	Independent Power Project	1105.50
5	Long Term Open Access	2830.00
6	Medium Term Open Access	252.00
7	Captive Power Projects	194.86
	<b>Total</b>	<b>15,834.56</b>

8	<b>Non Conventional Energy</b>	
I	Hydro	2321.90
II	Wind	1268.18
III	Solar	3465.34
IV	Co-Generation	496.30
V	Bio mass	73.58
	<b>Total</b>	<b>8,125.30</b>
	<b>Grand Total</b>	<b>23,959.86</b>

- 1.5 With regard to demand and supply position, the maximum power demand of the State is 19409 MW and average daily consumption of the State was 426.439 MU during FY 2023-24. Maximum demand met was 20,830 MW (02.05.2024) and maximum consumption per day was 454.320 MU (30.04.2024) so far in FY 2024-25.

## 2 Legal framework:

- 2.1 The relevant provisions of Electricity Act 2003, Policies of Government of India and Regulations on Open Access notified by Hon'ble TNERC are detailed below.
- 2.2 The section 40 of Electricity Act describes the duties of Transmission Licensee related to open access

*"to provide non-discriminatory open access to its transmission system for use by-*

*(i) any licensee or generating company on payment of the transmission charges ; or*

*(ii) any consumer as and when such open access is provided by the State Commission under sub-section (2) of section 42, on payment of the transmission charges and a surcharge thereon, as may be specified by the State Commission:*

*Provided that such surcharge shall be utilised for the purpose of meeting the requirement of current level cross-subsidy:*

*Provided further that such surcharge and cross subsidies shall be progressively reduced in the manner as may be specified by the State Commission:*

Provided also that the manner of payment and utilisation of the surcharge shall be specified by the State Commission.

- 2.3 Section 42 (2) of the Electricity Act 2003 provides following provisions wherein the powers have been given to State Commissions for specifying cross subsidy and surcharge.

*"The State Commission shall introduce open access in such phases and subject to such conditions, (including the cross subsidies, and other operational constraints) as may be specified within one year of the appointed date by it and in specifying the extent of open access in successive phases and in*

*determining the charges for wheeling, it shall have due regard to all relevant factors including such cross subsidies, and other operational constraints:*

*Provided that such open access shall be allowed on payment of a surcharge in addition to the charges for wheeling as may be determined by the State Commission:*

*Provided further that such surcharge shall be utilised to meet the requirements of current level of cross subsidy within the area of supply of the distribution licensee:*

*Provided also that such surcharge and cross subsidies shall be progressively reduced in the manner as may be specified by the State Commission:*

*Provided also that such surcharge shall not be leviable in case open access is provided to a person who has established a captive generating plant for carrying the electricity to the destination of his own use:"*

- 2.4 Further, Section 42 (4) of the Act provides following provisions related to 'Additional Surcharge'.

*"Where the State Commission permits a consumer or class of consumers to receive supply of electricity from a person other than the distribution licensee of his area of supply, such consumer shall be liable to pay an additional surcharge on the charges of wheeling, as may be specified by the State Commission, to meet the fixed cost of such distribution licensee arising out of his obligation to supply."*

- 2.5 Section 8.5 of the National Tariff Policy provides following provisions that deal with calculation of cross subsidy surcharge and applicability of additional surcharge to be paid by open access consumers.

*"National Electricity Policy lays down that the amount of cross-subsidy surcharge and the additional surcharge to be levied from consumers who are permitted open access should not be so onerous that it eliminates competition which is intended to be fostered in generation and supply of power directly to the consumers through open access."*

*"8.5.4 The additional surcharge for obligation to supply as per section 42(4) of the Act should become applicable only if it is conclusively demonstrated that*

*the obligation of a licensee, in terms of existing power purchase commitments, has been and continues to be stranded, or there is an unavoidable obligation and incidence to bear fixed costs consequent to such a contract. The fixed costs related to network assets would be recovered through wheeling charges."*

2.6 It is respectfully submitted that, the clause 8.5.6 also stipulates that in case of outages of generator supplying to a consumer on open access, standby arrangements should be provided by the licensee on the payment of tariff for temporary connection to that consumer category as specified by the appropriate Commission. Provided that such charges shall not be more than 125 percent of the normal tariff of that category.

2.7 It is respectfully submitted that, the Regulation 24 of TNERC(Grid connectivity and Intra-State Open Access) Regulations, 2014, provides following provisions, which deal with 'Additional Surcharge'

*"24. Additional Surcharge. –*

*(1) An open access customer, receiving supply of electricity from a person other than the distribution licensee of his area of supply, shall pay to the distribution licensee an additional surcharge on the charges of wheeling, in addition to wheeling charges and cross-subsidy surcharge, to meet out the fixed cost of such distribution licensee arising out of his obligation to supply as provided under subsection (4) of section 42 of the Act.*

*(2) This additional surcharge shall become applicable only if the obligation of the licensee in terms of power purchase commitments has been and continues to be stranded or there is an unavoidable obligation and incidence to bear fixed costs consequent to such a contract. However, the fixed costs related to network assets would be recovered through wheeling charges.*

*(3) The distribution licensee shall submit to the Commission on six monthly basis, a detailed calculation statement of fixed cost which the licensee is incurring towards his obligation to supply. The Commission shall scrutinize the statement of calculation of fixed cost submitted by the distribution licensee and obtain objections, if any, and determine the amount of additional surcharge: Provided that any additional surcharge so determined by the Commission shall be applicable only to the new open access customers.*

*(4) Additional surcharge determined on per unit basis shall be payable, on monthly basis, by the open access customers based on the actual energy drawn during the month through open access:*

*Provided that such additional surcharges shall not be levied in case distribution access is provided to a person who has established a captive generation plant for carrying the electricity from such plant to the destination of his own use.*

### **3.0 Background of Petition**

3.1 It is submitted that this petition is filed based on the directions issued in the order in M.P.No.44 of 2024 dated 12.12.2024, in which the Hon'ble TNERC has directed TNPDCCL as follows:

- 1. "The Commission hereby directs the petitioner to file the petition for determination of the Additional Surcharge on six monthly basis in future under 24(3) of the TNERC Grid Connectivity and Intra State Open Access Regulations, well in advance, even if no stranded capacity was identified during a set of six months period.*
- 2. Commission further directs that 15 minutes Block wise data in respect of the power scheduled by Open access consumers shall be filed by the petitioner in respect of both Renewable & Non-Renewable energy along with the petition.*
- 3. The petitioner shall file a monthly report on total energy consumed by OA consumers, Energy wheeled by captive consumers, Energy consumed by OA consumers through 3<sup>rd</sup> Party purchase and Energy consumed by OA consumers through exchanges.*
- 4. The petitioner shall submit certified copies of TNSLDC for various data obtained from them in future without fail."*

3.2 It is submitted that the additional surcharge for the period from 01.04.2025 to 30.09.2025 with the data from 01.04.2024 to 30.09.2024 is now filed before the Hon'ble Commission for determination of Additional Surcharge payable by the open access consumers.

#### 4.0 Additional Surcharge for the period from 01.04.2025 to 30.09.2025

4.1 The Additional Surcharge for the period from April 2025 to September 2025 is to be determined based on the details from April 2023 to September 2024. The additional surcharge is worked out based on the calculations approved earlier in M.P.No.30 of 2021 as follows:

Calculation of Additional Surcharge for the period from April 2025 to September 2025				
S.No.	Description	Nomenclature	Value	Unit
1	Contracted Capacity	A	23959.86	MW
2	Maximum Availability	B	23916.98	MW
3	Minimum Availability	C	11252.30	MW
4	Average Availability	D	15981.58	MW
5	Maximum Scheduled	E	20518.05	MW
6	Minimum Scheduled	F	10418.41	MW
7	Average Scheduled	G	14939.49	MW
8	Capacity not availed (Max)	H	6478.38	MW
9	Capacity not availed (Min)	I	0.00	MW
10	Capacity not availed (Avg.)	J	1042.09	MW
11	OA Allowed (Max)	K	1411.51	MW
12	OA Allowed (Min)	L	12.94	MW
13	OA Allowed (Avg.)	M	543.46	MW
14	Capacity stranded due to OA	N	410.55	MW
15	Total Fixed Charge (PPA)	O	9139.65	Rs in Crore
16	Fixed charges per MW available	$P=O/D$	0.57	Rs in Crore
17	Fixed charges of stranded capacity	$Q=P*N$	234.79	Rs in Crore
18	Transmission Charges paid	R	4396.66	Rs in Crore
19	Energy Scheduled	S	65614.25	MU
20	Transmission Charges per kWh	$T=R/S*10$	0.67	Rs./kWh
21	Distribution Charges (As approved in Tariff Order)	U	1.01	Rs./kWh
22	Total T & D Charges per kWh	$V=T+U$	1.68	Rs./kWh
23	Energy Consumed by OA Consumer from Discoms	W	3649.99	MU
24	T & D charges payable to Discoms by OA consumers	$X= W*V/10$	614.29	Rs in Crore
25	Demand Charges Recovered by Discoms from OA	Y	825.94	Rs in Crore
26	Demand Charges to be adjusted	$Z=Y-X$	211.65	Rs in Crore
27	Net stranded charges recoverable	$AA=Q-Z$	23.13	Rs in Crore
28	OA adjusted energy	AB	2287.14	MU
29	Additional surcharge AC	$AC=AA/AB*10$	<b>0.10</b>	Rs./kWh

The details of Power purchase fixed cost, availability and energy adjusted details are submitted as Annexure I to V in the typed set.

## 5.0 Prayer

In view of the above, it is most respectfully prayed that this Hon'ble Commission may be pleased to:

- 5.1 Admit the above petition for determination of additional surcharge payable by all open access consumers who purchase power through 3<sup>rd</sup> party sale and power exchanges (viz.IEX, PXI, etc.,) for the period from 01.04.2025 to 30.09.2025.
- 5.2 Hold that the obligation of the state distribution licensee in terms of power purchase agreements has been and continues to be stranded and there is an unavoidable obligation and incidence to bear fixed costs consequent to such agreements.
- 5.3 Determine the additional surcharge of **Rs.0.10** per unit payable by open access consumers on adjusted quantum of power purchase through open access.
- 5.4 Consider the information submitted by TNPDC for determining the amount of additional surcharge.
- 5.5 Pass such other further orders as this Hon'ble Commission may deem just and proper in the circumstances of the case.
- 5.6 To permit to make further submissions, addition and alteration to this Petition as may be necessary from time to time.

  
PETITIONER  
Chief Financial Controller (FAC)  
Regulatory Cell  
TNPDC  
144, Anna Salai, Chennai-2



**BEFORE THE HON'BLE TAMIL NADU ELECTRICITY REGULATORY  
COMMISSION, CHENNAI**

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Tamil Nadu Power Distribution Corporation Ltd.,  
(TNPDC),  
N.P.K.R.R Malaigai,  
144, Anna Salai,  
Chennai -2.

..... Petitioner

Versus

NIL

..... Respondent

**Affidavit verifying the petition**

I, S.GIRINATHAN, S/o V.SELVARAJ, aged about 52 years, serving as the Chief Financial Controller, Regulatory Cell (FAC), Tamil Nadu Power Distribution Corporation Limited (TNPDC) having office at No. 144, Anna Salai, Chennai-600002, do hereby solemnly affirm and sincerely state as follows:

1. I am the Chief Financial Controller, Regulatory Cell of the petitioner herein, as such I am well acquainted with the facts of the case and authorized to file the present petition.
2. I solemnly affirm on this the 20<sup>th</sup> day of February, 2025 that the contents of the above petition are true to my knowledge and I believe that no part of it is false and no material has been concealed there from.

  
Petitioner  
Chief Financial Controller (FAC)  
Regulatory Cell  
TNPDC  
144, Anna Salai, Chennai-2