

OPEN ACCESS USERS ASSOCIATION(OAUA)

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Extract of the meeting dated 19.7.2014

Open Access Users Association (OAUA) organized its first conference in UP at Hotel Golden Tulip, Lucknow inviting various stakeholders and eminent personalities from statutory bodies. Theme of this conference was 'Power Shortage & Way Forward' in which power crisis of the state was discussed in detail and various probable solutions were suggested by the experts present during the conference. Shri Desh Deepak Verma (Hon'ble Chairman, UPERC) was the chief guest during this conference who shared the dais along with Shri Jayant Deo (President, OAUA) and Shri S.N. Goel (CEO & MD, IEX).

As per Indian tradition conference began with the lighting of the lamp by the Hon'ble Chairman, UPERC and other dignitaries invited in the conference.

Proceedings of the conference were further initiated with the welcome address from Shri Jayant Deo (President, OAUA) in which he welcomed the Chief Guest, eminent dignitaries and all participants for attending the conference. In his address, he also covered the statistics of UP in regard to peak demand & corresponding shortage and the difficulties arising in availing power through open access. Transmission capacity details of UP were also presented with all the statistics of transmission system including TTC, ATC and the upcoming transmission lines (220KV & above) which are under construction.

After the welcome note, Shri Pramod Kumar Maskara (Director, Mahavir Jute Mills) presented the industrial consumer's perspective where he stressed to promote renewable generation as the gestation period of these plants is around 1.5 to 2 years which is very much lesser as compared to thermal plants. This promotion of renewable generation will also alleviate the problem of power

crisis in the state. There are some ambiguities regarding the settlement of open access transactions which have to be resolved by SLDC & distribution licensees.

Dr. Anoop Singh (Associate Professor, IIT Kanpur) shared his perspective as sector expert stressing on promoting competition in the state as the industries are suffering from power crisis. They should be allowed to avail opportunity of availing competitive power through Open Access. If there is no sufficient corridor for the flow of power, same shall be utilized optimally and it should not be made as the basis for disallowing open access to consumers.

Legal angle was presented by Shri Nidhish Mehrotra (ANM Global) in which he stressed to introduce open access for promoting competition in the sector. Since, many issues are arising from statutory bodies of various states for discouraging open access, same shall be brought into the notice of CCI (Competition Commission of India) for initiating the investigation in the matter. He also quoted the examples of various important judgment of CCI in respect to cement industries & Coal India Ltd.

Shri S.P. Gupta (Member Secretary, State Power Committee-UP) put insights on the transmission & scheduling issues in regard to implementation of open access in the state. He submitted that SLDC is having no objection for granting open access to consumers as the only big issue is that sufficient margin is not available in the state transmission system for accommodating short term open access transactions as the system is already booked by the state for its long term & medium term commitments. It was also submitted that presently the ABT accounting system of the state is not automated to settle open access transactions and SLDC is in process of implementing the same which will take around 6 to 8 months time. New transmission lines are under construction which may augment additional capacity at the tune of 1500MW to 2000MW by June 2015.

Shri S.N. Goel (CEO & MD, Indian Energy Exchange) also made a detailed representation on promoting open access in the state and suggested the benefits of it in regard to alleviate power crisis of the state.

Shri Pramod Gopalrao Khandalkar (Director Commercial, UPPTCL) also shared the insights on commercial front in regard to the costs claimed under ARR of UPPTCL from open access point of view.

Chief Guest, Shri Desh Deepak Verma (Hon'ble Chairman, UPERC) addressed the gathering in which he clarified all the doubts raised by the participants in relation to open access implementation and he put insights on the feasibility of open access in the state. Shri Verma made it clear that open access can be availed by any open access consumer of UP considering the optimal utilization of the transmission capacity of the state and payment of applicable charges on open access consumers. He also clarified on the applicability of cross subsidy on consumers availing open access mentioning that the existing formula is not serving the objective as cross subsidy is coming out to be nil for HT consumers. UPERC has published the staff paper on revised cross subsidy calculation on which comments from the stakeholders have been invited.

Conference was concluded by Shri Jayant Deo stressing on the core issue of ABT accounting of open access through implementation of FOR (Forum of Regulators) Model regulations that ABT meter is not required for the consumers upto demand of 10MW which will also address the issue of non availability of inter-state ABT accounting. Shri Amit Ailawadi (Secretary, OAUA) expressed vote of thanks to all esteemed participants of the conference, chief guest, media persons & IEX for supporting the conference which finally made the conference a grand success.

Regards,

Open Access Users Association