

OPEN ACCESS USERS ASSOCIATION(OAUA)

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MINUTES OF THE MEETING OF OPEN ACCESS USERS' ASSOCIATION , HELD ON 10th May 2014, AT
PYC Hindu Gymkhana, CTS No. 766, F.P. No. 244, Bhandarkar Road, Pune at 11.00 A.M.:

MR. JAYANT DEO – PRESIDENT – OAUA

MR. ANIL KELKAR – INSTITUTION OF ENGINEERS, MEMBER MCCIA ENERGY COMMITTEE

MR. VIVEK VELANKAR - PRESIDENT, SAJAG NAGRIK MANCH

MR. PRAVIN ABRAHAM – EXECUTIVE MEMBER – OAUA

ATTENDED BY:

40 REPRESENTATIVES FROM 25 INDUSTRIES IN MAHARASHTRA

Meeting of Open Access Users' Association was held on 10th MAY 2014 at 11.00 a.m. at PYC Hindu Gymkhana, CTS No. 766, F.P. No. 244, Bhandarkar Road, Pune. After formal welcome note and introduction of the dignitaries and attendees present, Mr. Pravin Abraham proceeded to give a presentation on the issues faced in open access in Maharashtra. The main points highlighted were:

- 1) Refusal of Open Access by MERC to the industries of Maharashtra for power trading through exchanges.
- 2) Surrender of contract demand to the quantum opted for open access.
- 3) High cross subsidy in the states of Maharashtra which is creating hindrances for industries procuring power through open access.

To the questions and queries raised by the industries, Mr. Jayant Deo was requested to address the audience and present his views. He addressed the issues and threw light on the various provisions of the CERC guideline and provisions of Electricity act, 2003. Act allows consumers above 1MW to buy power from open market but is restricted in Maharashtra. The Act also calls for freezing of cross subsidy levels prevailing in 2003-04 and progressive reduction of the same. MERC has neither frozen the cross subsidy levels nor given the road map for progressive reduction. This causes problems to SME's and small industries alike.

In this regard it was brought to the notice of all by Mr.Jayant Deo about the letter dated 30.11.2011 addressed to all the statutory bodies in the power sector in the country by The Ministry of Power for Operationalization on Open Access, which is a critical feature of power market development and competition.

This was not implemented inspite of further follow up directions to the Forum of Regulators. It was unanimously decided that the Association should approach the Hon. Supreme Court for proper implementation of competition clauses in the Electricity Act 2003.

MR. Jayant Deo also elaborated on the need to go to the Supreme Court for clarification. He added that the expenses involved may be huge but it may be shared by members pan India, since the Apex Court's directions will be universally applicable across India. He asked the industries for their views on this. Unanimously, all the presents agreed for the need to go to the Supreme Court and OAUA was requested to assess and communicate the extent of expenses involved.

By the end of the meeting, Mr. Pravin Abraham again urged to the industries who have not yet signed the Corporate Membership forms to expedite the same. He further added that the issues raised by the industries and their views may be mailed to the id of marketresearch@openaccessforum.org for the record purpose.

Mr. Pravin Abraham thanked Mr. Jayant Deo, Mr.Anil Kelkar and Mr.Vivek Velankar for their expert guidance and the representatives of the industries who took out time to attend this meeting and shared their views and concern.

The meeting concluded with a positive note from the participants.