



DELHI ELECTRICITY REGULATORY COMMISSION

In the matter of: Procedure for verification of Captive Generating Plant (CGP) status in accordance to requirements in Rule 3 of the Electricity Rules, 2005

ORDER

(Date of Order 22.01.2021)

Whereas, the Commission *vide* Order dated 25/08/2020 (hereinafter referred as 'Principal Order') has laid down the Procedure for verification of Captive Generating Plant (CGP) status in accordance to the requirements of Rule 3 of the Electricity Rules, 2005.

And whereas Clause 4.3.2 of Principal Order stipulates that the 'Verifying Authority' shall inform the percentage of consumption of energy with respect to Aggregate electricity generated for previous month on month basis and cumulative basis by the end of next month.

And whereas Clause 4.2.3 of Principal Order stipulates that the applicant shall submit the details of actual generation from the power plant and the actual consumption made by the captive users on monthly basis as per format V, VI and format VII to the 'Verifying Authority' and the Distribution Licensee, within 7 days of the end of the month in soft copy also.

And whereas as per Clause 6 of Principal Order the applicant seeking open access under captive user is not required to submit a Bank Guarantee or Letter of Credit or Fixed Deposit for amount equivalent as a payment security towards cross subsidy surcharge and /or additional surcharge, as applicable.

And whereas Clause 6.1(ii) of Principal Order stipulates that, if a captive user is consuming less than 51% of aggregated energy generated on cumulative basis upto that month, Distribution Licensee shall raise the bill for recovery of cross subsidy surcharge and additional surcharge upto the cumulative month.

And whereas the Commission is in receipt of the representation from SLDC, Delhi that the open access consumers are not able to furnish the requisite data to determine the monthly captive user status. SLDC has further submitted that the applicants are willing to submit the requisite Bank Guarantee as a payment security towards cross subsidy surcharge and /or additional surcharge.

Now, as some of the open access consumers are willing to provide Bank Guarantee towards cross-subsidy charges etc. instead of paying the charges on monthly basis for want of verification of captive user status, the Commission in exercise of the powers vested under Regulation 12 and Regulation 17 of Delhi Electricity Regulatory Commission (Terms and Conditions for Open Access) Regulations, 2005 hereby makes the following amendment in the Principal Order as under:

1.0 Short Title and commencement:

1. This Order may be called as First Amendment Order in the matter of Procedure for verification of Captive Generating Plant (CGP) status' in accordance to requirements in Rule 3 of the Electricity Rules, 2005.
2. This Order shall be applicable from FY 2020-21 and shall remain in force till revised.

2.0 Amendment of Clause 6 of Principal Order:

The opening para of Clause 6 of Principal Order on 'Recovery of Cross Subsidy Surcharge (CSS) and Additional Surcharge (AS)' shall be substituted as under:

"The applicant seeking open access under captive use shall have option either to pay cross-subsidy surcharge and/or additional surcharge etc. on monthly basis as per the provisions of Clause 6.1 hereunder OR to submit a Bank Guarantee (BG) or Letter of Credit (LC) or Fixed Deposit (FD) for an amount equivalent as a payment security mechanism towards cross subsidy surcharge and/or additional surcharge applicable for the period of financial year for which open access has been sought.

Provided that the validity of payment security instrument shall be till 31st July of next financial year or till the captive generator status is ascertained, whichever is later:

Provided further that in such cases where a valid payment security instrument has been submitted, the distribution licensee shall not raise bill for such charges."

3.0 Amendment of Clause 6.2 (ii) of Principal Order:

The following Proviso shall be added at the end of Clause 6.2(ii) as under:

"Provided further that if the applicant has submitted a requisite payment security instrument in the form of Bank Guarantee or Letter of Credit or Fixed Deposit, the Licensee shall return the payment Security Mechanism within 30 days from the date of establishment of captive status by the 'Verifying Authority' or 31st July of the Financial Year whichever is later:

Provided also that if the distribution licensee has approached the Commission for determination of captive status under sub clause(i), the payment security instrument shall not be returned:

Provided also that the applicant shall extend the validity of payment security instrument during the period of determination of captive status by the Commission."

Sd/-
(A. K. Ambasht)
Member

Sd/-
(Justice S. S. Chauhan)
Chairperson