



ABSTRACT

Electricity –Collection of Cross subsidy surcharge from HT consumers for the power purchase from outside sources – Orders – Issued.

Energy (C.3) Department

G.O.(Ms).No. 79

Dated: 11.07.2012

ஆனி 27

திருவள்ளூர் ஆண்டு 2043.

Read:

- 1) G.O.(Ms.)No.10, Energy (C3) Department, dated 27.2.2009.

Read also:

- 2) From the Chairman and Managing Director, Tamil Nadu Generation and Distribution Corporation Limited, Chennai-2
D.O Letter No. CFC/Rev/FC/Rev/D.No.264 /12 Dt: 3/5/12

ORDER:

In the G.O first read above the following direction was issued among others:-

"In view of the prevailing shortages, the Government has also taken the step of permitting private power producers in the state to avail of open access to sell tradable surplus power generated by them to any HT consumers within the state. As a special measure, keeping in view the restrictions already imposed on such consumers, it has also been decided to temporarily waive cross subsidy surcharges which would be collectable from such consumers under normal circumstances."

2. In the D.O letter second read above the Chairman-cum-Managing Director, Tamil Nadu Generation and Distribution Corporation Limited has mentioned the Tamil Nadu Transmission Corporation Limited's Circular, dated 8.2.2011 and stated that the HT consumers who have been purchasing only during peak hours are now purchasing the entire required power up to their sanctioned demand, paying only the Demand charges to Tamil Nadu Generation and Distribution Corporation Limited. The power procurement from the power exchange is not a firm one. The consumers intend to purchase power from the power exchanges/local generators only, when the power is available at a cheaper rate than the Tamil Nadu Generation and Distribution Corporation Limited tariff and the purchased power is scheduled and cleared from the exchange only on day ahead basis. Whenever power is not available at a feasible rate in the open market the HT consumers fall back to avail Tamil Nadu Generation and Distribution Corporation Limited power. In this way Tamil Nadu Generation and Distribution Corporation Limited should always be in a position to provide a standby

power to the HT consumers. The existing short term open access regulations and procedures facilitate the HT consumer to change over between the resources i.e, either from Tamil Nadu Generation and Distribution Corporation Limited or from outside sources. This infirm consumption pattern of the HT consumers puts much hardships in the load forecasting and grid management. At present around 500 HT consumers are purchasing power maximum to the tune of 460 MW during peak hours and around 250 MW round the clock from power exchanges and local generators. If all the HT consumers tend to migrate to avail power from outside sources, the loss of revenue towards the waiver of cross subsidy surcharge at the present level of Tariff is estimated as Rs.200 to 250 crores for the period 2012-13.

3. In order to streamline the above and to reduce the revenue loss to the Board, the Chairman-cum-Managing Director, Tamil Nadu Generation and Distribution Corporation Limited has requested to cancel the G.O (MS) No.10, Energy (C3) Department, dated 27.2.2009 and to authorize the Tamil Nadu Generation and Distribution Corporation Limited to collect the cross subsidy surcharge (for the purchased quantum from outside) from the HT Consumers who are not availing Tamil Nadu Generation and Distribution Corporation Limited quota power fully or partially and purchase power from the outside sources.

4. The Government, after careful examination, accept the request of the Chairman-cum-Managing Director, Tamil Nadu Generation and Distribution Corporation Limited and in partial modification of the orders issued in paragraph 3 of the Government order first read above, cancel the temporary waiver of cross subsidy surcharges. The Government also authorize the Tamil Nadu Generation and Distribution Corporation Limited to collect the cross subsidy surcharges (for the purchased quantum from outside) from the HT consumers who are not availing Tamil Nadu Generation and Distribution Corporation Limited quota power fully or partially and purchase power from the outside sources.

(BY ORDER OF THE GOVERNOR)

RAMESH KUMAR KHANNA
Principal Secretary to Government.

To
The Chairman-cum-Managing Director,
Tamil Nadu Generation and Distribution Corporation Limited, Chennai-2.

Copy to:

The Secretary,
Tamil Nadu Electricity Regulatory Commission, Chennai-8.
The Sr.P.A to Minister (Electricity, P&E), Chennai-9.
The Law department, Chennai-9.
PS to Chief Secretary, Chennai-9.
All Sections, Energy department, Chennai-9.
SF/SC

//FORWARDED / BY ORDER//

A. Anantha Gov.
SECTION OFFICER