October 3<sup>rd</sup>, 2023





# Legal Updates

The Insolvency and Bankruptcy Board of India ("**IBBI**") vide Circular dated 28.09.2023 has issued clarifications on the interpretation and computation of the Liquidator's fee under Regulation 4(2)(b) of the IBBI (Liquidation Process) Regulations, 2016 ("**Liquidation Regulations**"). The IBBI discovered that Regulation 4(2)(b) in the Liquidation Regulations, being interpreted in a varied ways and thus issued the following clarifications:

- 1. The term "Amount realized" shall mean amount realized from assets other than liquid assets such as cash and bank balance including term deposit, mutual fund, quoted share available on start of the process after exploring compromise and arrangement, if any.
- 2. The term "Amount of Realization (exclusive of liquidation costs)" given in the table in Regulation 4(2)(b) mandates that all liquidation costs are to be deducted from the realization amount. However, as per regulation 4(2)(b), "other liquidation cost" is to be deducted from realization. The Bench clarified that "other liquidation cost" shall mean liquidation cost paid in priority under section 53(1)(a), after excluding the liquidator's fee.
- 3. Section 53 of IBC provides for order of priority for making distribution out of proceeds from sale of assets. The table in Regulation 4(2)(b) provides for liquidator's fees to be calculated as a percentage of the 'Amount Distributed to Stakeholders'. This Amount shall mean distributions made to the stakeholders, after deducting CIRP and liquidation cost.
- 4. The words "*Amount of Realization /Distribution*" used in table in the Regulation 4(2)(b) shall mean cumulative value of amount realized/ distributed which is to be bifurcated in various slabs as per column 1 and thereafter the same is to be bifurcated into realization/ distribution in various periods of time and then corresponding fee rate from the table is to be taken.

IBBI issues clarifications on interpretation of Liquidator's Fee Under Regulation 4(2)(b) of the Liquidation Process Regulations. 5. Period for calculation of fee - liquidators are suo-moto excluding various time periods such as stay by court on sale of a particular asset, delay in relinquishment by secured creditor, for the purpose of calculating the fee.Exclusion for purpose of fee calculation is to be allowed only when the same has been explicitly provided by the Hon'ble NCLT/NCLAT or any other court of law and will operate only for the asset which could not have been realized during the excluded period.

IBBI has further intimated that Insolvency Professionals who are currently handling or have handled in the past any liquidation assignment shall ensure that the fee charged by them under Regulation 4(2)(b) is in accordance with above Clarifications. No disciplinary action will be taken if an excess liquidator's fee was collected and has since been returned in circumstances where it is returned and dispersed by October 31, 2023.

MNRE has issued a strategy suggesting three models for the holistic development of offshore wind farms:

## 1. Model A (VGF Model):

The said approach will be followed for demarcated offshore wind zones for which MNRE/NIWE has carried out or proposed to carry out detailed studies/surveys. MNRE, through its implementing agencies will come up with bid for procurement of offshore wind power capacity under this model. Necessary central financial assistance in the form of Viability Gap Funding (VGF) would be available to achieve a predetermined power tariff.

### 2. Model B (Non VGF but with exclusivity over seabed during the study/ survey period):

This approach will only be applicable to sites already identified by NIWE. Project development shall be carried out by the prospective developer in these sites without any Central Financial Assistance ("**CFA**"). The power generated from such projects shall be either used for captive consumption under open access mechanism or sold to any entity through a bilateral power purchase agreement or sold through power exchanges.

### 3. Model-C (Non-VGF and without exclusivity over seabed during the study/ survey period):

As per the said model, the developer may identify any offshore wind site within the EEZ excluding the sites considered under Model-A & Model-B and carry out studies and surveys. The Government will come up with a bid for project development/ Allocation of the seabed and the bidding process may include on of the following methods:

- 1. Bidding on lease/allocation fee or revenue sharing in case of projects for captive consumption/third party sale/sale through exchange under open access mechanism.
- 2. Tariff based competitive bidding in case of power procurement by DISCOMs or Central Govt. or State Govts.
- 3. Any other transparent bidding mechanism identified by the Government.

The Central Electricity Regulatory Commission (**CERC**)in Petition No. 15/SM/2023 filed by Central Transmission Utility of India Limited (**CTUIL**) for Removal of Difficulties (Third Order) in giving effect to certain provisions of Central Electricity Regulatory Commission (Connectivity and General Network Access to the inter-State Transmission System) Regulations, 2022 ("**GNA Regulations**") vide Order dated 01.10.2023, has issued the following clarifications:

- 1. Railways shall be allowed to utilize its GNA quantum of 130 MW at Dadri, Auraiya, Naini or Abdullapur. In case it needs additional GNA, it may apply for such quantum under the GNA Regulations.
- 2. In case of Land BGs in case the application of an entity is closed due to non-submission of Conn-BG1, Conn-BG2 or Conn-BG3, the Bank Guarantee of Rs. 10 lakh/ MW submitted in lieu of land documents, shall be returned within one month from the closing of the Connectivity Application.
- 3. Payment of Transmission Charges for T-GNA under Advance and Exigency application category is to be done within 3 days of approval of application, however in view of the software changes being carried out by Grid-India, a transition period is being permitted.
- 4. Grid-India is advised to carry out software changes within two months from 1.10.2023. During this period, if T-GNA is starting within the next 3 working days and for the exigency application category, payment shall be made within 3 working days of approval of application as per the existing practice in vogue post which the transmission charges shall be paid as per timeline provided in the GNA Regulations.

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MNRE issues Strategy for Establishment of Offshore Wind Energy Projects.

CERC issues clarifications on Central Electricity Regulatory Commission (Connectivity and General Network Access to the inter-State Transmission System) Regulations, 2022 A State Transmission Utility (**STU**) is allowed to apply for additional GNA quantum within 3 months of coming into force of the GNA Regulations and after that only once a year by September. In view of the transition from the 2009 Connectivity Regulations to the GNA Regulations, STUs are allowed to apply for additional GNA for any quantum till 31.3.2024, which shall be considered for grant by CTUIL in terms of the GNA Regulations

CERC vide judgment dated 22.09.2023 in Petition No. 11/SM/2023 allowed removal of difficulties to give effect to certain provisions of Central Electricity Regulatory Commission (Connectivity and General Network Access to the inter-State Transmission System) Regulations, 2022.

Following are some of the major clarifications/directions given by CERC-

- 1. The Conn-BG1("**Connectivity Bank Guarantee**") already submitted under the 2009 Connectivity Regulations shall be treated as Conn-BG1 under the GNA Regulations without the need to furnish another Conn-BG1. However, where an entity has furnished Conn-BG1 for Rs 50 lakhs but has not furnished any CBG ("**Construction Bank Guarantee**") under the 2009 Connectivity Regulations. In such cases, no further Conn-BG1 shall be required to be furnished under Regulation 37.3(3) of the GNA Regulation. If an entity has furnished both Conn-BG1 and CB Gunder the 2009 Connectivity Regulations, such CBG shall be treated as Conn-BG1 for Rs 50 lakhs and the balance as Conn-BG2 under the GNA regulations" and Conn-BG1 submitted under the 2009 Connectivity Regulations shall be returned.
- 2. Entities covered under Regulation 17.1(vi) of the GNA Regulations where LTA ("Long terms Access") to target region was effective as on date of transition, shall also be treated in terms of Regulation 37.6(2) of the GNA Regulations.
- 3. For drawal of start-up power or injection of infirm power, an entity may seek Commercial Operation Date ("**COD**") of terminal bay prior to the Start date of Connectivity as agreed in the Connectivity Agreement. All other terms and conditions for such terminal bay (s) shall be governed as per Regulation 10.8 of the GNA Regulations.
- 4. CTUIL, for activities such as firming up of allocation, the requirement of Section-68 for the dedicated line, and the operationalization of LTA, that are being undertaken after 5.4.2023 under the 2009 Connectivity Regulations which are required to be given effect between period from 5.4.2023 to 30.09.2023 is allowed process the same under the 2009 Connectivity Regulations. However, after coming into effect of the Grid Code 2023 and the First Amendment to the Sharing Regulations 2020, all activities shall be carried out strictly as per the GNA Regulations.
- 5. Higher of the bank guarantee shall be adjusted as per the GNA Regulations post repeal of the 2009 Connectivity Regulations as on 1.10.2023. CTUIL was clarified that higher of the Bank Guarantees under the 2009 Connectivity Regulations or as required under the GNA Regulations shall be taken by CTUIL for consideration of compliance by entities under the connectivity Regulations as well as the GNA Regulations.
- 6. Entities covered under Regulation 17.1(iii) where Connectivity granted in accordance with the 2009 Connectivity Regulations is effective and LTA has not been granted, shall be allowed to transition such Connectivity into GNA as per clause 37.6(1). Such an entity may apply for additional GNA for such quantum of Connectivity under Regulation 17.2 of these regulations. Where additional GNA, as applied for can be granted on the existing transmission system, such an entity shall furnish Conn-BG3 @Rs 2 lakh/MW. In case augmentation is required in terms of Regulation 12.5 of the GNA Regulations to convert the Connectivity of such entity into GNA, it shall be constructed and maintained by a licensee at the cost of such entity.
- 7. A drawee Designated ISTS Customers ("**DIC**") is eligible to request a schedule from anywhere in India up to its GNA quantum, where such injection point may be "within the region" or "from outside the region". Regional Load Dispatch Centre ("**RLDC**") shall allocate the transmission corridor as follows:

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(a) In case of constraint in the transmission system "from outside the region", the transmission corridor shall be allocated in proportion to the "outside the region" bifurcation of all such drawee DICs.

CERC gives clarification/direction to give effect to certain provisions of GNA Regulation (b) In case of constraint in the transmission system "within the region", the transmission corridor shall be allocated in proportion to the total GNA quantum for such drawee DICs (sum of "within the region" and "from outside the region" bifurcation).

The bifurcation of 'within the region' and 'from outside the region' shall be reviewed by the Commission periodically after operationalization of scheduling under GNA starts w.e.f. 1.10.2023.

- 8. GNA bifurcation "from outside the region" equal to its 'from outside the region' contracts under LTA+MTOA (Medium Term Open Access) as in September 2022, shall be done by CTUIL subject to availability of transmission. Further, necessary adjustments shall be made under the deemed GNA quantum within the region to keep the total deemed GNA quantum unchanged.
- 9. Relaxation of the timeline of processing new applications received w.e.f. 5.4.2023 post completing transition latest by 1.10.2023. Post 1.10.2023, the new applications shall be processed as per the timeline provided in the GNA Regulations.
- 10. Till the time the Commission processes the amendment to the GNA Regulation with respect to the additional document that would be required by Renewable Energy Generating Station ("**REGS**") under GNA regulations. However, till such time an REGS shall be eligible to apply Connectivity on submission of PPA entered into with the procurer for such cases or any of the other two options of Land or BG.
- 11. Change in the location of the land parcel without any change in (a) the point of Connectivity with ISTS and (b) the start date of Connectivity shall be allowed and shall not lead to cancellation of the Connectivity.

CERC has reviewed the Composite Index used for Computing the Escalation Rate for Imported Coal for Bid Evaluation and Payment vide its Order dated 25.09.2023 in Petition No. 12/SM/2023. The CERC has been notifying various escalation rates, including the escalation rate for imported coal, since 2005. A composite index has been used for computing the escalation rate for imported coal. The present methodology for the composite index for imported coal considers the price of Australian Coal with a 25% weightage, the price of South African Coal with a 25% weightage and the price of Indonesian Coal with a 50% weightage. Since the methodology being used currently was developed in 2013 and has been in use w.e.f. 01.04.2014 and since there have been many developments in the international coal market, changes in the quantum of steam coal imports in India and the availability of credible and reliable coal price indices that represent steam coal imports in India, a need was felt to review the composite index used for computing the escalation rate for imported coal and to specify a new methodology for the composite index. A new methodology for the composite index was proposed through a staff paper of CERC on the "Review of Composite Index used for Computing the Escalation Rate for Imported Coal for Bid Evaluation and Payment" and issued vide public notice dated 9.6.2023.

Comments/suggestions/objections of the stakeholders and other interested persons on the above-proposed methodology were invited through a public notice dated 9.6.2023, basis which the Commission has decided that the weights and corresponding indices shall be as under:

- The weights of different origins of coal in the composite index shall be: 25% South African Coal; 10% Australian Coal; and 65% Indonesian Coal. The index of API3 5500 kcal/kg NAR published by Argus and McCloskey shall be included in the composite index as the representative index for South African coal with a weightage of 25%. The API5 5500 Kcal/kg NAR index published by Argus and McCloskey shall be included in the composite index as the representative index for Australian coal with a weightage of 10%. ICI3 5000 Kcal/kg GAR published by Argus/CoalIndo, ICI4 4200 Kcal/kg GAR (3800 Kcal/kg NAR) published by Argus/CoalIndo, Platts CI 5000 Kcal/kg GAR (4700 Kcal/kg NAR) published by S&P Global Platts and Platts CI 4200 Kcal/kg GAR (3800 Kcal/kg NAR) published by S&P Global Platts shall be used as the representative indices for Indonesian coal with weightage of 16.25%.
- 2. It was further decided that the composite index shall be reviewed every two years or as and when the need arises. Commission further directed that the escalation rates for the purpose of payment (either six monthly escalation rates or monthly escalation rates) applicable for the period commencing 1.10.2023 and the escalation rates for the purpose of evaluation (annual escalation rates) applicable for the period commencing 1.4.2024 shall be notified in accordance with the composite index discussed in Para 8 of this order.

CERC reviews the Composite Index used for Computing the Escalation Rate for Imported Coal for Bid Evaluation and Payment CERC vide judgment dated 29.09.2023 in Petition No. 13/SM/2023 allowed removal of difficulties (Second order) to give effect to certain provisions of GNA Regulations.

CERC has issued the following clarification/directions -

The Commission taking into its considering that the GNA Regulations shall be effective from 1.10.2023 and non-submission of requisite Bank Guarantee would lead to non-scheduling of power for such quantum, the Commission found it appropriate to consider giving time till 16.10.2023 to such Generators to submit the required Bank Guarantees. However, such generating stations shall submit an undertaking that they shall deposit the required Bank Guarantee on or before16.10.2023 failing which the permission granted by CTU shall stand withdrawn. The Commission further directed that on receipt of the undertaking from the generating station, CTU shall grant them provisional permission till 16.10.2023 to consider such quantum for scheduling under deemed T-GNA by RLDC/NLDC

The Central Electricity Regulatory Commission vide judgment dated 30.09.2023 in Petition No. 14/SM/2023 allowed removal of difficulties (First Order) to give effect to certain provisions of Central Electricity Regulatory Commission (Connectivity and General Network Access to the inter-State Transmission System) Regulations, 2022.

Following are some of the major clarifications/directions given by CERC -

- 1. That the 'D' referred to in Clause 2 of Regulation 27 of the Grid Code shall be construed as the date when a generating station intimates the commercial operation of the generating station or unit thereof, and the scheduling shall start from 0000 hours of D+2 day.
- 2. The Commission clarified that the revision of Declared Capacity from the 7th/8<sup>th</sup> block, on account of a forced outage, and the declaration of the estimated time of restoration of the unit shall not be counted as a revision. A generating station in such case may revise its DC when it is certain of coming on bar, which will become effective from the 7th/8th block. This shall be counted as a revision of DC which is allowed to be punched only once a day.
- 3. The generating stations or ESS covered under Regulation 49(7) of the Grid Code shall be allowed 2 (two) revisions of Declared Capacity and schedule in a day due to reasons such as partial outage of the unit or variation of water availability for hydro generating stations or variations in supply of gas for gas generating stations. The revised schedule shall become effective from the 7th time block or 8th time block as per clause (4) of Regulation 49, counting the time block in which the revision is informed by the generator or ESS to be the first one. However, this dispensation is allowed for a period of six months from 1.10.2023.
- 4. In the view of Rule 9 of Electricity (Late Payment Surcharge and Related Matters) Rules 2022, the generating station whose tariff is determined under Section 62 of the Act, may sell its un-requisitioned surplus as available at 9.45 AM in the day ahead market, without the consent of the beneficiary(ies).
- 5. The Commission directed that existing procedure for the "First Time Charging/Energization (FTC) and Integration of New or Modified Power System Element" which is in vogue as on 30.09.2023, shall continue to be in force till the procedure framed under Grid Code is approved by the Commission.

Power Exchange India Ltd. (hereinafter referred to as the "PXIL"), the Petitioner in Petition No.170/MP/2023 sought approval of the CERC for the introduction of High Price bilateral market segment with contracts operating under the provisions of Regulations 5(2) and 5(3) of the Central Electricity Regulatory Commission (Power Market) Regulations, 2021 ("PMR 2021") on PXIL's PRATYAY Platform, in accordance with Regulation 25 of PMR 2021.

PXIL submitted that the Commission, vide Order dated 11.4.2023 in Petition No. 14/MP/2023, accorded approval for introduction of the High Price Day Ahead Market ("HP-DAM") on PXIL's PRATYAY Platform. Since the HP-DAM contract is transacted a day-prior to delivery, buyers get exposed to price volatility in this segment. To overcome such a situation, it would be beneficial if the eligible Sellers and Buyers enter into the transaction much in advance, i.e., up to the duration permitted under the Central Electricity Regulatory Commission (Open Access in inter-State Transmission) Regulations, 2008 ("STOA Regulations"). Accordingly, PXIL proposed to introduce seven new High Price Bilateral Market Contracts which operate under Regulations 5(2) and 5(3) of PMR 2021. Further, PXIL submitted the contract specifications for the proposed high price bilateral market segment contracts which includes Price

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CERC passed its second removal of difficulties order to give effect to the GNA Regulations

CERC passed its first removal of difficulties order to give effect to the GNA Regulations

CERC passes Order for approval of introduction of High Price bilateral market segment with contracts operating under provisions of Regulation 5(2) and 5(3) of PMR 2021. Discovery, Timelines for Contingency contracts, Timelines for TAM contracts, Delivery Mechanism and Duration and Risk Management mechanism.

PXIL had uploaded the present Petition on the website along with Public Notice dated 29.05.2023 inviting comments/ suggestions from the stakeholders. PXIL received comments from GRID India (the Respondent) and Prayas Energy Group. GRID INDIA had issued comments on Floor Price, eligibility of seller, revision of schedule for HP-TAM contract and PXIL had submitted its response to the same. Further, Prayas Energy Group had issued certain comments and PXIL had submitted its response to the same.

PXIL submitted that the Commission has already approved similar contracts for Hindustan Power Exchange (HPX) in its recent order dated 24.7.2023 in Petition No. 122/MP/2023.

#### Analysis and Decision of CERC:

PXIL has proposed to introduce the high-price bilateral market segment with contracts operating under Regulations 5(2) and 5(3) of PMR 2021 on PXIL's PRATYAY Platform, in accordance with Regulation 25 of PMR 2021. The comments/suggestions received from the Respondent mainly relate to the eligibility of sellers, floor price and revision of schedule as per IEGC. Prayas Energy Group, inter-alia, suggested that appropriate direction may be given to GRID-INDIA to provide information in the "No Objection Certificate" issued to BESS (Battery Energy Storage System) entities that meet the MOP's criteria regarding fulfilment of energy storage obligation. The Commission has earlier accorded approval for the introduction of the High Price Day Ahead Market (HP-DAM) on PXIL's PRATAY platform vide order dated 11.04.2023 in Petition No. 14/MP/2023. PXIL, in the instant petition, has sought approval for the introduction of the high-price bilateral market segment, including high[1]price TAM and Contingency contracts. The Commission, in its Order dated 24.7.2023 in Petition No. 122/MP/2023, has accorded approval to another power exchange, namely the Hindustan Power Exchange (HPX), for the introduction of HP-TAM and HP-Contingency contracts. After considering the submissions of PXIL and the comments/ suggestions of the stakeholders and GRID-INDIA, along with the reply thereupon by PXIL, CERC noted that the stakeholders have largely welcomed the proposal for the introduction of HP-TAM as an additional platform and for improving competition. We further note that GRID-INDIA has not raised any concern about the implications and operational difficulties in the implementation of the proposed HP-TAM and HP[1]Contingency contracts. CERC further proceeded to examine in the subsequent paragraphs the Petitioner's proposal for the high-price bilateral market segment, in terms of the earlier orders by the Commission in this regard and the relevant provisions of the applicable Regulations, Grid Code, etc. Since the instant proposal involves the introduction of longer-duration contracts in the high-price segment, we also take cognizance of the decision of the Hon'ble Supreme Court of India on the issue of longer-duration contracts (beyond T+11 days) and financial derivatives, which was sub[1]judice till October 2021. The issue was favourably disposed of by the Hon'ble Supreme Court in its Order dated 06.10.2021 as Civil Appeals 5290-5291 of 2011, in terms of the agreement reached between SEBI and CERC. After examining the proposed contracts as submitted by PXIL, CERC noted that the contracts proposed by the Petitioner, i.e., Daily Contracts, Weekly Contracts, Monthly Contracts, and Any-Day Single-Sided Contracts, are physical delivery-based forward contracts and/or NTSD Contracts. Therefore, in line with the judgment of the Hon'ble Supreme Court in the matter of longer duration contracts (beyond T+11 days) and financial derivatives, vide its order dated 06.10.2021, and in terms of the agreement reached between CERC and SEBI, CERC has the jurisdiction to regulate these contracts. CERC accordingly accorded approval for the introduction of high-price Daily, Weekly, Monthly Contracts, for pre-specified time blocks to be notified to the market participants well in advance, and Anyday Single-sided contracts initiated by the buyers based on Reverse Auction only and also approved the introduction of high-price Day Ahead Contingency Contracts and high-price Intra-day Contingency Contracts.

CERC has approved the following categories of generators with high costs to be eligible for participation in high price TAM and Contingency contracts: i. Gas based Power Plants using imported RLNG and Naphtha ii. Imported Coal based Power Plant using imported coal

#### iii. Battery Energy Storage Systems (BESS)

CERC further approved the use of Uniform Price Step Auction as a matching methodology for price discovery in the case of high-price Daily, Weekly, and Monthly Contracts, in line with the existing methodology in conventional TAM contracts and directed PXIL to use open auction for Uniform Price Step Auction so that the participants, while bidding for these contracts, can make informed decisions after seeing buy and sale bids offered by other anonymous participants. CERC also approved the proposed Reverse Auction methodology as the price discovery matching methodology for Anyday single-sided Contracts initiated by buyers. The Petitioner is directed to clearly define the stages and timeline of Reverse Auction in the relevant sections of the Business Rules and the Contract Specifications. CERC observed that the timelines and delivery proposed by the Petitioner for high-price TAM contracts, i.e., for the

maximum period of three months, are broadly in line with the approval granted by the Commission in the Order dated 7.6.2022 in Petition No. 229/MP/2021 for longer-duration contracts in the Term Ahead Market and Green Term Ahead Market and thus approved the proposed high-price TAM contracts for a maximum duration of three months, considering the month in which the transaction is made as the zero month.

In light of the above analysis and decision on the various issues arising out of the proposal for the introduction of the high-price bilateral market segment at the Petitioner's power exchange, we hereby approve the Petitioner's proposal to introduce high-price TAM and Contingency contracts, subject to compliance with the directions stated above. CERC also directed GRID-INDIA to submit a report on the experience and performance of HP-TAM and HP-Contingency contracts within three months from the date of introduction of these contracts, after seeking feedback from the Petitioner.

The Telecom Regulatory Authority of India ("**TRAI**") vide notification dated 29.09.2023 has issued a Consultation Paper on "Digital Transformation through 5G Ecosystem". The Authority has come out with this consultation paper on suo-motu basis to identify the policy challenges and suggest the right policy framework for faster adoption and effective utilisation of new technologies for the holistic and sustainable development of the economy driven by 5G ecosystem. The opportunities and challenges so far as 5G enabled IOT and Metaverse are discussed in the said paper along with aspects of digitalisation, monetization and sharing of data.

The dates of written comments and counter comments on the Consultation Paper are 30.10.2023 and 13.11.2023 respectively.

The said Consultation Paper can be accessed here : <u>https://trai.gov.in/notifications/press-release/trai-issues-consultation-paper-digital-transformation-through-5g</u>

TRAI vide notification dated 29.09.2023 has issued a Recommendations on "Improving Backhaul Telecom Infrastructure in far-flung areas of Himachal Pradesh". The Recommendations strive at ensuring that even in geographically challenging regions, access to reliable and advanced telecom services is available. The Authority has suo-moto issued the said Recommendations to establish a robust, sustainable, and resilient backhaul telecom network, and has finalized the recommendations on 'Improving Backhaul Telecom Infrastructure in far-flung areas of Himachal Pradesh'.

The said Recommendations can be accessed here : <u>https://trai.gov.in/notifications/press-release/trai-releases-recommendations-improving-backhaul-telecom-infrastructure</u>

TRAI vide notification dated 27.09.2023 has issued a Consultation Paper on "Regulation on Rating Framework for Digital Connectivity in Buildings or Areas". The said Consultation Paper seeks to deliberate on regulation for implementation of rating framework for buildings and areas for digital connectivity to improve QoS inside buildings and for seamless consumer experience. The said Paper covers the need of rating framework for Buildings for digital connectivity to improve, provides an overview of few relevant global and local rating frameworks in different domains, covers details of proposed rating framework for digital connectivity in Buildings, and provides a draft of proposed Regulation for implementation of Rating Framework for Digital Connectivity. The consultation paper also expands on the 'Rating framework for Digital Connectivity' based on the practices being followed internationally and rating frameworks like GRIHA or Credit Rating in India.

The submission dates of written comments and counter comments on the aforementioned Consultation Paper are 10.11.2023 and 24.11.2023 respectively.

The said Consultation Paper can be accessed here : <u>https://trai.gov.in/notifications/press-release/trai-</u>releases-consultation-paper-regulation-rating-framework-digital.

TRAI vide notification dated 27.09.2023 has issued a Consultation Paper on "Regulation on Rating Framework for Digital Connectivity in Buildings or Areas". The said Consultation Paper has been issued for soliciting comments of stakeholders on the issues related to the Assignment of Spectrum in E-band, V-band, and Microwave Access (MWA)/ Microwave Backbone (MWB) Spectrum in Existing Frequency Bands'. Accordingly, the said Consultation Paper deals with the issues relating to the assignment of spectrum for MWA and MWB, issues relating to the assignment of spectrum in E-band, and valuation and pricing of spectrum in E-band, W-band, MWA and MWB.

The submission dates of written comments and counter comments on the aforementioned Consultation Paper are 25.10.2023 and 08.11.2023 respectively.

TRAI issues Consultation Paper on "Digital Transformation through 5G Ecosystem".

TRAI issues Recommendations on "Improving Backhaul Telecom Infrastructure in far-flung areas of Himachal Pradesh".

TRAI issues Consultation Paper on "Regulation on Rating Framework for Digital Connectivity in Buildings or Areas"

TRAI issues Consultation Paper on "Assignment of Spectrum in E&V Bands, and Spectrum for Microwave Access (MWA) & Microwave Backbone (MWB)" TRAI issues Consultation Paper on ''Open and De-licensed use of Unused or Limited Used Spectrum Bands for Demand Generation for Limited Period in Tera Hertz Range''

TRAI issues Draft Telecommunication Mobile Number Portability (Ninth amendment) Regulations, 2023 for stakeholders' comments

TRAI extends last date to receive comments or counter comments on TRAI Consultation Paper on "Review of Terms and Condition of PMRTS and CMRTS Licenses.

TRAI releases recommendations on 'Promoting Networking and Telecom Equipment Manufacturing in India'. The said Consultation Paper can be accessed here : <u>https://trai.gov.in/notifications/press-release/trai-</u>releases-consultation-paper-consultation-paper-assignment-spectrum.

TRAI vide notification dated 27.09.2023 has issued a Consultation Paper on "Open and De-licensed use of Unused or Limited Used Spectrum Bands for Demand Generation for Limited Period in Tera Hertz Range". The said Consultation Paper has been issued for soliciting comments of stakeholders for soliciting comments of stakeholders on the subject. Accordingly, the said Consultation Paper deals with the Radio Regulations of ITU, and studies being conducted in ITU-R on Tera Hertz, international practices on the subject, and present experimental licensing regime in India. The submission dates of written comments and counter comments on the aforementioned Consultation Paper are 25.10.2023 and 08.11.2023 respectively.

The said Consultation Paper can be accessed here : <u>https://trai.gov.in/notifications/press-release/trai-releases-consultation-paper-open-and-de-licensed-use-unused-or</u>.

TRAI vide notification dated 27.09.2023 has issued a Consultation Paper on "Open and De-licensed use of Unused or Limited Used Spectrum Bands for Demand Generation for Limited Period in Tera Hertz Range". Recently, DoT, through its various communications to TRAI, made certain suggestions in respect of regulatory framework for Mobile Number Portability. Keeping in view the suggestion of DoT, the Authority has decided to issue draft amendment regulations for stakeholders' comments.

The stakeholders' comments are now solicited on the issue as to whether it would be appropriate to introduce an additional criterion for rejection of the request for allocation of Unique Porting Code (UPC) in respect of any mobile connection, which has undergone the process of SIM swap/ replacement/ upgradation. The last date for submitting the comments is 25.10.2023.

The said Consultation Paper can be accessed here : <u>https://trai.gov.in/notifications/press-release/trai-releases-draft-telecommunication-mobile-number-portability-ninth</u> .

TRAI vide notification dated 26.09.2023 has notified the extension of last date to receive comments or counter comments on TRAI Consultation Paper on "Review of Terms and Condition of PMRTS and CMRTS Licenses. TRAI, vide notification dated 29.08.2023, had released a Consultation Paper on 'Review of Terms and Conditions of public mobile radio trunking services ("PMRTS") and captive mobile radio trunking services ("CMRTS") Licenses'. The Consultation Paper had been issued with an object to resolve certain subject-specific issues pertaining to PMRTS and CMRTS licenses and to comprehensively review the existing terms and conditions thereof. The updated submission dates of written comments and counter comments on the aforementioned Consultation Paper are 24.10.2023 and 07.11.2023 respectively.

TRAI vide notification dated 22.09.2023 has released recommendations on '*Promoting Networking and Telecom Equipment Manufacturing in India.*' Under Digital India program, electronics manufacturing is one of the key thrust areas. Further, National Digital Communications Policy 2018 ("NDCP-2108") envisages to maximise India's contributions to Global Value Chains, by focusing on domestic production, increasing exports and reducing the import burden in respect of networking and telecommunications equipment, called as "NATE" in short. Given fast paced roll-out of advanced communications technologies as well as likely proliferation of data centres, edge data centres, JoT-based networks in Smart cities, the scope of indigenous equipment manufacturing has adopted the contemporary outlook.

The objective of these recommendations is to move forward from the concept of 'increasing domestic production' and to focus on 'local value addition in global value chains'. Some of the main focus areas covered in the recommendations include:

- i. facilitate local value addition in participation with cross country value chains;
- ii. due emphasis on "Telecom software" as a separate product line in accordance with contemporary softwarization of network elements in New Generation Networks;
- iii. facilitating exports from India
- iv. nurturing entrepreneurship by promoting Micro, Small and Medium Enterprises (MSME) and Startups.
- v. promote a robust component eco system in India

TRAI has also recommended specific provision to extend financial support to the industry towards procurement of fixed assets, plant & machinery, for new production units or capacity augmentation of the existing units. To spur innovation, lower corporate income tax is also recommended to encourage industry's drive towards beneficially owned resident Intellectual Property Rights (IPRs). Further, to facilitate trade,

the recommendations have been made to resolve identified issues and by extending benefits of the Advance Authorization and EPCG schemes for the exporter-manufacturing of NATE and Common Facility Centres in EPCs. Institutional authority to certify 'origin' of NATE products manufactured in India has been also recommended.

TRAI vide notification dated 22.09.2023 has released recommendations on 'Improving Telecom Infrastructure in Northeastern States of India.'

The Authority *suo-moto* held extensive consultations and interactions (including meetings, progress reviews, field visits, etc.) with major stakeholders to assess the current status of telecom infrastructure, issues in its deployment, and the policy measures required for further improvement to provide seamless connectivity to all the residents of the Northeastern States. Based on the aforementioned consultations, the Authority has formulated the subject recommendations.

TRAI vide notification dated 22.09.2023 has released a Consultation Paper on '*Encouraging R&D in Telecom, Broadcasting and IT (ICT) Sectors.*' The purpose of this consultation paper is to develop a comprehensive ecosystem for enhancing R&D in ICT Sector of the country, wherein there are well established processes for generating a pool of R&D scientists/ engineers, duly supported by the Government and Private Partners for development and innovation of ICT products and services for making India Atmnirbhar and promoting exports in the ICT Sector.

TRAI vide notification dated 21<sup>st</sup> September, 2023 has issued pre-consultation paper on *Inputs for Formulation of "National Broadcasting Policy"* and invited stakeholders to send their comments by 10<sup>th</sup> October, 2023. Through the said letter dated 13th July 2023, MIB has requested TRAI to give its considered inputs under Section 11 of the TRAI Act, 1997 for formulation of the National Broadcasting Policy. In its letter MIB has mentioned that the Broadcast Policy needs to identify the vision of a functional, vibrant and resilient broadcasting sector which can project India's diverse culture and rich heritage and help India's transition to a digital and empowered economy. In the light of the potentialities and intersection with national goals, a National Broadcasting Policy stipulating the vision, mission, strategies and the action points could set the tone for a planned development and growth of the Broadcasting sector in the country in the era of new and emerging technologies.

TRAI vide notification dated 21<sup>st</sup> September, 2023 released its recommendations on *"Issues related to Low Power Small Range FM Radio Broadcasting."* Ministry of Information and Broadcasting (MIB) vide its reference dated 07.03.2022 has sought recommendations of the Authority, under section 11(1)(a)(i) of the TRAI Act, 1997 on the need and timing for introduction of new service provider for services such as drive-in theatres. To transmit movie audio to the audience within a drive-in theatre setting, low power small range FM broadcasting is employed as one of the most efficient techniques. In addition to drive-in theaters, several other use cases of low power small range FM radio broadcasting which may cater to specific locations and reception areas can be identified. Examples include hospital radio services, amusement parks, business premises, closed communities such as residential complexes, small habitations, commentary for local events such as air shows and sports events. The salient features of the recommendations are as follows:

- i. Introduction of a new category of service provider called 'Low Power Small Range FM Radio Broadcasting' for provision of low power small range FM Radio.
- ii. License/registration/authorization to be granted through a simple registration process via an online application portal.
- iii. Approval by Telecom Engineering Centre (TEC) for transmitting equipment for low power small range FM broadcasting.
- iv. Eligible entities to hold license/registration/ authorization for 'Low Power Small Range FM Broadcasting':

In Petition No. RERC/2043/2022 filed before the Rajasthan Electricity Regulatory Commission, Jaipur (**RERC**), the Rajasthan Discoms prayed for notification of the Smart Grid Regulations in the State of Rajasthan. After hearing the submissions of the Discoms on how the Grid Regulations will enhance network visibility and access, promote optimal asset utilization, improve consumer service levels thereby allowing for participation in operations of transmission licensees, the Ld. RERC vide Order dated 20.09.2023 was pleased to observe that while the proceedings of making Smart Grid Regulations will be initiated in future as per the procedure prescribed in the Electricity Act 2003, however in the interim:

- the Discoms are free to constitute smart grid cells and also to initiate and execute various activities proposed in the petition

TRAI releases recommendations on 'Improving Telecom Infrastructure in Northeastern States of India'

TRAI releases Consultation Paper on Encouraging R&D in Telecom, Broadcasting, and IT Sectors

TRAI releases Pre-Consultation paper on Inputs for formulation of "National Broadcasting Policy"

TRAI releases recommendations on "Issue Related to Low Poer Small Range FM Radio Broadcasting"

RERC permits Rajasthan Discoms to submit proposals for smart grid interventions in their annual investment plan, ARR & Tariff petition for consideration of the Commission. whenever required, the Discoms may also submit suitable proposals for smart grid interventions in their annual investment plan, ARR & Tariff petition for consideration and approval of the Commission.

RERC notifies draft second amendment to the RERC (Terms and Conditions for Determination of Tariff from Renewable Energy Sources) Regulations, 2020 (**"Principal Regulations"**). These Draft Regulations may be called as the RERC (Terms and Conditions for Tariff determination from Renewable Energy Sources) (Second Amendment) Regulations, 2023. (**"Second Amended Regulations"**).

The following amendments have been proposed to be made to the Principal Regulations:

1. The existing sub-regulation 1.2 shall be substituted with the following:

"1.2 These Regulations shall extend to the whole of the State of Rajasthan. These Regulations shall be applicable for determination of tariff in cases covered under these Regulations from April 1, 2020, and onwards up to March 31, 2026."

2. The existing sub-regulation 3.2 shall be substituted with the following:

"3.2 Notwithstanding anything contained in these Regulations, the Commission shall adopt the tariff, if such tariff has been determined through a transparent process of bidding in accordance with the guidelines issued by the Central Government, as envisaged under Section 63 of the Act or where no such guidelines are issued by the Central Government, the tariff of such plants shall be adopted as has been determined through transparent bidding process in accordance with the bidding guidelines approved by the Commission."

3. The main provision and first proviso to the existing sub-regulation 5.1 shall be substituted with the following:

"5.1 The Control Period under these Regulations shall be of six (6) financial years starting from April 1, 2020, till March 31, 2026:

Provided that the tariff determined as per these Regulations for the RE projects commissioned upto 31.03.2024 during the Control Period, shall continue to be applicable for the entire duration of the Tariff Period as specified in Regulation 6 below:

4. A new fourth proviso shall be added below the existing proviso to sub-regulation 7.2 as under:

" Provided also that for procuring power from power plants of such technology where the competitive bidding guidelines have not been issued by the Central Government, including the biomass power projects, biomass gasifier-based power projects and biogas power projects getting commissioned after 31.03.2024, the distribution licensee shall carry out the competitive bidding process as per regulation 7.2 of these Regulations."

5. The existing proviso of sub-regulation 8.1 shall be substituted with the following:

"Provided that the generic tariff for these projects commissioned up to 31.03.2024 shall be applicable for such RE Projects of same type and shall remain valid for the tariff period as specified in regulation 6 above."

6. The existing proviso of sub-regulation 43.1 shall be substituted and a new proviso shall be added below the existing provision of sub-regulation 43.1 as under:

"Provided that the fuel cost arrived at as above shall be applicable to the Biomass power plants commissioned during the current Control Period up to 31.03.2024 and also during the earlier Control Periods FY 2009-15 and FY 2015-20.

Provided further that for the Biomass power plants commissioned on or after 01.04.2024, the fuel price shall be governed by the bidding documents issued in accordance with regulation 7.2 above."

7. A new second proviso shall be added below the existing proviso to sub-regulation 44.2 as under:

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RERC notifies the Draft RERC (Terms and Conditions for Tariff determination from Renewable Energy Sources) (Second Amendment) Regulations, 2023 "Provided further that usage of solar power shall be allowed only in those projects, where solar power projects are commissioned on or before 31.03.2024."

8. The existing proviso of sub-regulation 88.1 shall be substituted with the following:

"Provided that for the period beyond 2023-24, for the year 2024-25 & 2025-26, the tariff as applicable in 2023-24 shall remain applicable, if the energy is being supplied from these plants under the PPA period. For the period beyond the PPA period, the Tariff for Renewable Projects during the extended period as per Regulation 10 shall be applicable."

9. The existing proviso of sub-regulation 88.2 shall be substituted with the following:

"Provided that for the period beyond 2023-24, for the year 2024-25 & 2025-26, the tariff as applicable in 2023-24 shall remain applicable, if the energy is being supplied from these plants under the PPA period. For the period beyond the PPA period, the Tariff for Renewable Projects during the extended period as per Regulation 10 shall be applicable."

10. The existing proviso of sub-regulation 88.3 shall be substituted with the following:

"Provided that for the period beyond 2023-24, for the year 2024-25 & 2025-26, the tariff as applicable in 2023-24 shall remain applicable, if the energy is being supplied from these plants under the PPA period. For the period beyond the PPA period, the Tariff for Renewable Projects during the extended period as per Regulation 10 shall be applicable."

11. A new regulation 93.6 A shall be added below the existing sub-regulation 93.6 as under:

"93.6A The above provisions of the banking shall be applicable till 31.03.2030 to all existing projects as well as the projects getting commissioned upto 31.03.2026."

The CERC has also invited comments/ suggestions/ objections from the stakeholder and interested persons on the above Second Amended Regulations. The comments/suggestions if any should reach the Receiving Officer of the Commission in six copies on or before 16.10.2023.

APERC has issued the draft Andhra Pradesh Electricity Regulatory Commission (Green Energy Open Access, Charges and Banking) Regulation, 2023. This Regulation shall come into force on such date as the Commission approves the procedures and timelines for granting Green Energy Open Access (**GEOA**) as per this Regulation. This Regulation shall be applicable for allowing Open Access to electricity generated from Renewable Energy Sources, for use of Intra-State Transmission System/s (**InSTS**) and/or distribution system/s of licensee/s in the State, including such Intra-State Transmission and/or distribution system/s, which are incidental to Inter-State Transmission of electricity.

The draft Regulation classifies the consumers into the following categories based on the duration of use of the intra-state transmission and/or distribution system:

- i. Long-term Open Access consumers- persons availing or intending to avail the open access for a period equal to or more than five years;
- ii. Medium-term Open Access consumers- persons availing or intending to avail the open access for a period of more than one year and less than 5 years;
- iii. Short-term Open Access consumers- persons availing or intending to avail the open access for a period of one year or less.

Short-term open access consumer shall be eligible & re-eligible to obtain fresh reservation on the filing of application after the expiry of his term and subject to availability. Such eligibility shall be on priority fixed on the basis of the date of application.

The draft Regulation provides that long-term GEOA shall be allowed in accordance with the transmission planning criteria and distribution planning code stipulated in the State Grid Code. The Short-Term/Medium-Term open access shall be allowed, if the request can be accommodated, by utilizing-

- a. Inherent design margins
- b. Margins available due to variation in power flows and
- c. Margins available due to in-built spare transmission system capacity and/or distribution system capacity created to cater to future load growth.

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APERC issues draft Andhra Pradesh Electricity Regulatory Commission (Green Energy Open Access, Charges and Banking) Regulation, 2023 Among the GEOA consumers, long-term GEOA consumers shall have preference followed by medium term and short-term, at any given time. The decision for allowing the open access shall be on the basis of first come first served.

With respect to eligibility, generally all the entities shall be eligible to take power through Green Energy Open Access subject to the provisions of this Regulation and system availability. However, entities who have been declared insolvent or bankrupt or having outstanding dues against them for more than two months billing of the distribution/transmission licensee or having a case of unauthorized use of electricity/theft of electricity pending against them at the time of application, shall not be eligible for open access.

The draft Regulations further state that APERC shall operate as the State Nodal Agency (SNA) for shortterm green energy open access and the State Transmission Utility (STU) shall operate as the State Nodal Agency (SNA) for the grant of long-term and medium-term term green energy open access. All the applications related to green energy open access shall be submitted directly to the respective State Nodal Agencies or through the single window portal set up by the Central Nodal Agency as per the Green Energy Open Access Rules.

The existing consumer(s)/generators shall continue to avail the open access as per the existing agreements or government policy for the period specified in those agreements or policies, to the extent they are not inconsistent with the Act. The existing consumers/generators shall continue to pay the applicable charges as specified in their respective agreements. The RE open access for the subsequent period in respect of such consumer/generator shall be governed by provisions of this Regulation, including any renewal after the completion of the initial period of existing agreements.

Charges to be levied for Green Energy Open Access are as follows:

- i. Transmission charges as applicable, and determined by the Commission in accordance with APERC (Terms and Conditions for Determination of Transmission Tarif) Regulation, 2005;
- ii. Wheeling charges as applicable, and determined by the Commission in accordance with APERC (Determination of Tariff for Wheeling and Retail Sale of Electricity) Regulation, 2005;
- iii. Cross subsidy Surcharge as applicable and determined by the Commission in Retail Supply Tariff Order from time to time or any other order of the Commission;
- iv. Standby charges wherever applicable shall be 120% of the normal tariff (for both demand and energy) of the consumer category without any penalty for exceeding the CMD to the extent of open access demand when there is no notice from the parties concerned;
- v. Banking charges
- vi. SLDC fees and charges as determined by the Commission in accordance with APERC (Levy and Collection of Fees and Charges by State Load Despatch Centre) Regulation, 2006 from time to time;
- vii. Scheduling and Deviation settlement charges which shall be collected as per the CERC DSM Regulations, 2022 and its amendments from time to time until APERC issues a comprehensive Regulation on Deviation settlement;
- viii. Reactive Energy Charges;
- ix. Losses between entry and exit points of open access as applicable as per the Orders/Regulations of the Commission;
- x. Any other charges that may be levied as decided by APERC.

The processing fee for Green Energy Open Access under Long and Medium-term shall be Rs.1,00,000 and Rs.25,000 for the short-term.

With respect to the banking facility, the draft Regulation provides that no generator other than the Wind, Solar and Mini Hydel power generators shall be allowed the facility of banking which are subject to the certain conditions like banking shall be on monthly billing cycle basis, the banking charges in kind shall be 8% of the energy banked at the consumer end, permitted quantum of banked energy shall not be more than 30% of the total monthly consumption of electricity from the distribution licensee by the consumers, the banking will be counted on a daily basis for the purpose of a monthly account etc.

APERC has uploaded a copy of the draft Regulation on its website and the same can be viewed <u>here</u>. Further, APERC has issued a Notice under sub-section (3) of Section 181 of the Electricity Act, 2003 read with the Electricity (Procedure for Previous Publication) Rules, 2005 informing all the stakeholders and interested parties that the draft Regulation will be finalized after the expiry of 21 days from 30.09.2023. The comments/suggestions/objections on the draft Regulation, if any, may be sent by email to <u>commm</u>- <u>secy@aperc.in</u>, or by post to the Commission's office at Hyderabad to reach the Commission Secretary on or before 21st October 2023 for consideration by the Commission.

The Southern Power Distribution Company of Telangana Limited (T**SSPDCL**) and the Northern Power Distribution Company of Telangana Limited (**TSNPDCL**) (jointly referred to as **TSDISCOMs**) has filed O.P.No.15 of 2023 and O.P.No.16 of 2023 respectively for determination of Additional Surcharge (AS) to be levied on Open Access (OA) consumers for H2 (2<sup>nd</sup> Half period from Oct'23 to Mar'24) of FY 2023-24. TSERC, in exercise of its powers under the Electricity Act, 2003, and after considering TSDISCOMs submissions, suggestions and objections of the stakeholders, responses of TSDISCOMs to the same, issues raised during the Public Hearing held on 23.08.2023 and all other relevant material has passed the present Order.

TSERC vide its Suo Moto Order dated 18.09.2020 in O.P.No.23 of 2020 in the matter of "Mechanism for determination of stranded capacity and framing the terms & conditions for levy of Additional Surcharge on Open Access users to meet the fixed cost of the distribution licensee arising out of its obligation of supply" had *inter alia* directed TSDISCOMs to submit their filings for determination of Additional Surcharge for the 1st half of the ensuing financial year i.e., for the period from April to September of the ensuing financial year latest by 30th November of the current financial year and for the 2nd half of the ensuing financial year i.e., for the nesuing financial year latest by 31st May of the ensuing financial year. In accordance with the above, the petition for determination of Additional Surcharge for H2 of FY 2023-24 were to be filed latest by 31.05.2023.

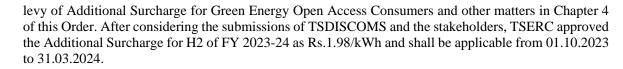
TSDISCOMs submitted that the Additional Surcharge proposals for H2 of FY 2023-24 were made by considering the actual parameters pertaining to H2 of FY 2022-23 in consonance with the order in O.P.No.23 of 2020 and the Commission directives in O.P.Nos.75&76 of 2022 and prayed for according approval to the licensees' proposal of Additional Surcharge of Rs.1.07/kWh for H2 of FY 2023-24. TSDISCOMs then filed Interlocutory Applications for modifying the original filings due to a typographical error occurred in the calculation sheet. TSDISCOMs requested the Commission to consider revised computations and make relevant substitution in the Original Petitions and prayed for according approval to the licensees' proposal of Additional Surcharge of Rs.3.43/kWh for H2 of FY 2023-24.

TSERC then proceeded to consider the objections/issues raised by the stakeholders, the response of TSDISCOMs to such objections and lay down their views pertaining to the issue. A brief summary of the issues taken into account by TSERC and its views thereto are as under:

- 1. <u>AUDITED ACCOUNTS & RECONCILIATION STATEMENT</u>: TSERC states that it has considered the fixed cost and energy scheduled from the filings of pooled cost to be considered for FY 2023-24, which were confirmed by TSDISCOMs that they are audited figures.
- 2. <u>COMPUTATION METHODOLOGY</u>: TSERC has decided to follow the existing methodology i.e. Abstract of formula for Additional Surcharge  $\{Q\} = [\{E\} + \{K\}x\{J\} - \{M\}] / \{P\}$  Where  $\{E\}$  is Fixed Charges for stranded capacity in Rs. in crore/MW;  $\{K\}$  is Energy Consumed by open access consumers from TSDISCOMs in MU;  $\{J\}$  is total Transmission and distribution charges per unit in Rs./kWh;  $\{M\}$  is Demand charges recovered by TSDISCOMs from open access consumers in Rs. in crore; and  $\{P\}$  is Open Access sales in MU.
- 3. <u>AVAILABLE CAPACITY</u>: TSERC after prudent check has considered the average available capacity in accordance with approved methodology as detailed in Chapter 4 of this Order.
- 4. <u>STRANDED CAPACITY</u>: The Commission in its order dated 20.03.2023 in O.P.Nos.75&76 of 2022 in the matter of determination of Additional Surcharge for H1 of FY 2023-24 has issued directions to TSDISCOMs to reflect the stranded capacity after netting of short-term purchases, if any, in the corresponding time-block.
- 5. <u>FIXED CHARGES</u>: TSERC has considered the actual Fixed Charges in accordance with approved methodology after prudent check.
- 6. <u>TRANSMISSION CHARGES</u>: TSERC is in agreement with the manner in which TSDISCOMs have considered transmission charges which is in accordance with the Commission order dated 18.09.2020 in O.P.No.23 of 2020.

Further, TSERC has dealt with Distribution charges, Demand charges recovered from Open Access Consumers, Open Access Sales, Proposed Additional Surcharge for H2 of FY 2023-24, exemption from

TSERC determines the Additional Surcharge to be levied on Open Access consumers for H2 (2<sup>nd</sup> Half period from Oct'23 to Mar'24) of FY 2023-24:



The copy of the Order can be accessed <u>here</u>.

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