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CERTIFICATION AS

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Your ref.:	Our ref.:	Date:
0991	MLEH/CK	02 April 2008

Validation opinion

Request for revision of monitoring plan for project activity 0991 entitled "Bundled Wind Power Project in Tamilnadu, India co-ordinated by the Tamilnadu Spinning Mills Association (TASMA)"

We refer to the procedure for revising monitoring plans adopted at EB 26 (Annex 34) which allows for the project participants to revise the monitoring plans in order to improve accuracy and/or completeness of information.

We herewith request a revision to the monitoring plan for the project activity 0991 titled "Bundled Wind Power Project in Tamilnadu, India co-ordinated by the Tamilnadu Spinning Mills Association (TASMA)" in India.

This CDM project involves the promotion and implementation of wind power generation by an Industry Association through its members. This project activity was based on a new model wherein TASMA – Tamilnadu Spinning Mill Association with its members structured a complex bundled CDM project, where TASMA has played the following roles:

- To promote the wind power generation
- To scan the technologies and provide assistance in procuring the technology
- Assist in project and post project monitoring and trouble shooting (non technical)
- Assist in CDM process and procuring CDM benefits

This model has made it possible for small and medium enterprises to adopt clean energy generation. This model is also considered unique and is not undertaken anywhere else in the state of Tamilnadu or the other states covered by the southern grid (the relevant grid in the baseline scenario).

The project involves grouping of 704 wind turbines, aggregating to a total installed capacity of 468 MW. The project owners either sell electricity to TNEB (Tamilnadu Electricity Board) or consume the energy at their mills under Power Purchase Agreements executed between individual owners and TNEB. All the windmill systems have been commissioned

The project applies the approved methodology, ACM0002, version 6, *Consolidated Baseline Methodology for grid connected electricity generation from renewable sources.* The project activity involves electricity capacity addition from wind sources, is connected to the southern grid and does not involve switching from fossil fuels to renewable energy, hence satisfying the applicability conditions of the methodology.

The monitoring plan in the registered PDD addresses the following:

(a) The net electricity supplied to the Southern grid of India by the project shall be measured by energy meters of ***0.2S Class Meter*** located at the sub-station
(b) Electricity meter shall be calibrated by the TNEB at least **once in 12 months** with a calibration report kept by the project owner

The maintenance and management of electricity meters is the responsibility of TNEB. TASMA or any other wind turbine operator has no say in the choice of accuracy level for the main meters and no control over their calibration frequency. Although it is clear from the PDD that the responsibility of main meter for accuracy and calibration is with TNEB, the standards suggested are more stringent than those implemented by TNEB. Currently, TNEB has installed in all the turbines only 0.5S class meters. Also, the calibration of these meters is being done by TNEB at a frequency of once in five years. At the time of PDD submission, TASMA included in good faith and with most sincere intentions its internal best-practice rather than TNEB's actual monitoring standard for accuracy and calibration without realizing the implications at the time of verification.

Consequently, the following revisions are proposed in the monitoring plan of the registered PDD:

(a) The net electricity supplied to the southern grid of India by the project shall be measured by energy meters of ***0.5S Class Meter*** located at the sub-station
(b) Electricity meter shall be calibrated by the TNEB at least **once in 5 years** with a calibration report kept by the project owner

Validation Opinion

Given that:

- The proposed revision of the monitoring plan is in accordance with the approved monitoring methodologies applicable to the project activity and is complete in terms of details and accuracy of measurement
- The standard proposed is in line with the practices and guidelines of TNEB. This has also been supported through a
    - Letter of confirmation from Regional Chief Engineer of TNEB
    - TNERC Guidelines

  These documents have been verified by DNV and enclosed as Annexures 1 and 2 to this report, respectively
- TNEB, a government body uses this prescribed main meter generation readings as the basis for payment to the WTG owners
- The calibration and maintenance of the meters is the purview of TNEB, and the meters are not to be tampered otherwise by anybody else, evidencing calibration every 12 months (as addressed in the registered PDD) is not possible

it is DNVs opinion that:

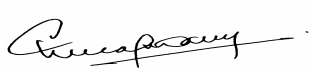
a. The proposed revision of the monitoring plan ensures completeness in the monitoring and verification process. Though the level of accuracy is reduced slightly, this is in line with the general practices and guidelines of the governing authority, the TNEB.

b. The proposed revision of the monitoring plan is in accordance with the approved monitoring methodology applicable to the project activity.
c. This is a case where the PDD has indicated an accuracy class and a calibration periodicity which is tighter than the commonly accepted standard. But as the project activity follows and practices the commonly accepted standard there will be no impact in the determination of emission reductions.

DNV hence request the acceptance of the proposed revision to the monitoring plan of the registered project activity 0991 entitled "Bundled Wind Power Project in Tamilnadu, India co-ordinated by the Tamilnadu Spinning Mills Association (TASMA)"

Yours faithfully
for DET NORSKE VERITAS CERTIFICATION AS

Michael Lehmann
Technical Director
International Climate Change Services



C Kumaraswamy
Manager – South Asia
Climate Change Services

ATTACMENTS:

Annexure 1	:	Letter of confirmation from Regional Chief Engineer of TNEB
Annexure 2	:	TNERC Guidelines
Annexure 3	:	Change summary to the revised PDD

Annexure 1: Letter of confirmation from Regional Chief Engineer of TNEB

POWERING TAMIL NADU'S PROGRESS...

GOLDEN JUBILEE (1957-2007)

Er. G.V. RAMASWAMY, B.E.,
Chief Engineer /Distribution / Madurai Region.

TO WHOMSOEVER IT MAY CONCERN

Sub: Accuracy Class and Periodic calibration of Energy Meters for Wind Electric Generators connected to Tamil Nadu Electricity Board Grid

1. **The Main Meters shall be periodically tested and calibrated by TNEB authorities. The periodicity of testing, checking, calibration etc are governed by the regulations issued by the Central Electricity Authority in this regard vide their Notification No. 502/70/CEA/DP&D dated 17.03.2006. The current practice is to perform the calibration at least once in 5 years. This is also in line with Tamil Nadu Electricity Regulatory Commission Intra State Open Access Regulations 2005 Notification No.TNERC/ISOA/11/1 dated 24.06.2005. However, if any meter is found fault, the same will be repaired and calibrated immediately.**
2. **The accepted accuracy class for the main meter is 0.5s class. This is uniformly followed for all the Wind Electric Generators in Tamilnadu.**

Madurai

09.01.2008

9.1.08

Chief Engineer
Distribution
Madurai Region.

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Annexure 2: TNERC Guidelines

TAMIL NADU GOVERNMENT GAZETTE

PUBLISHED BY AUTHORITY

No. 30A CHENNAI, WEDNESDAY, AUGUST 3, 2005
Aadi 18, Parthiba, Thiruvalluvar Aandu - 2036

Part VI --- Section 2
(Supplement)

NOTIFICATIONS BY HEADS OF DEPARTMENTS, ETC.

Tamil Nadu Electricity Regulatory Commission

Intra State Open Access Regulations 2005

Notification No. TNERC/ISOA/11/1 Dated 24.06.2005

Preamble

WHEREAS under the Electricity Act 2003 (Central Act 36 of 2003), the State Electricity Regulatory Commission shall specify the terms and conditions for intra state open access within the State of Tamil Nadu;

AND WHEREAS these regulations providing for the terms and conditions of open access shall be subject to previous publication and accordingly undergone previous publication;

NOW THEREFORE, under Section 181 of the said Electricity Act 2003 and all other powers enabling in that behalf, the Tamil Nadu Electricity Regulatory Commission hereby makes the following regulations, namely: -

1**. Short Title and Commencement**

(i) These regulations may be called the “Tamil Nadu Electricity Regulatory Commission - Intra State Open Access Regulations 2005"

(ii) These regulations shall come into force on the date of publication in the Tamil Nadu Government Gazette.

2**. Definitions**

In these regulations, unless the context otherwise requires –

(a) "Act" means the Electricity Act, 2003 (36 of 2003);

(b) “Allotted Transmission Capacity” means the power transfer in MW between the specified point(s) of injection and point(s) of drawal allowed to a long-term customer on the intra-state transmission system and the expression "allotment of transmission capacity" shall be construed accordingly;

(c) "Commission" means the Tamil Nadu Electricity Regulatory Commission;

(d) The word ' consumer' in this regulation shall carry the same meaning as in the Act, but shall be restricted to such consumers within the State of Tamil Nadu to whom these regulations will apply.

(e) "Direct customer" means a person who is directly connected to the system owned or operated by the State Transmission Utility / Transmission Licensee and / or Distribution Licensee in the State

(f) "Embedded customer" means a person who is not a direct customer;

(g) "Grid Code" means the Tamil Nadu Electricity Grid Code specified by the Commission and includes the Indian Electricity Grid Code applicable on the date of commencement of these regulations;

(h) "Nodal agency" means the nodal agency defined in regulation 10 of these regulations;

(i) “Open access” means the non- discriminatory provision for the use of transmission lines or distribution system or associated facilities with such lines or system by any Licensee or consumer or a person engaged in generation in accordance with these regulations.

(j). "Open access customer" means a consumer permitted by the State Commission to receive supply of electricity from a person other than distribution Licensee of his area of supply, or a generating company (including captive generating plant) ,or a Licensee, who has availed of or intends to avail of open access;

(k). “Reserved Transmission Capacity” means the power transfer in MW between the specified point(s) of injection and point(s) of drawal allowed to a short-term customer on the transmission system depending on availability of transmission capacity and the expression "reservation of transmission capacity" shall be construed accordingly;

(l) “SLDC” means the State Load Dispatch Centre, until, in its present form as an integral unit of the Licensee or established under sub-section (1) of section 31 of the Act;

(m). “STU” (State Transmission Utility) means the Board or the Government company specified as such by the State Government .This is presently the Tamil Nadu Electricity Board

(n) “Transmission System Segment” means a part or whole of the transmission system from the point of injection to the point of drawal.

(o). "Wheeling" means the operation whereby the distribution system and associated facilities of a transmission Licensee or distribution Licensee, as the case may be , are used by another person for the conveyance of electricity on payment of charges to be determined under section 62 of the Electricity Act 2003

Words and expressions used and not defined in these regulations but defined in the Act or the Grid Code, shall have the meaning assigned to them under the Act or the Grid Code, as the case may be.

3 Extent of Application

These regulations shall apply to open access for use of intra-state transmission system and/or distribution systems of Licensees in the State, including when such system is used in conjunction with inter-state transmission system.

4. Eligibility for Open Access and conditions to be satisfied

(1) Subject to the provisions of these regulations, the Licensees, generating companies including persons who have established captive generating plants, generation plants and electricity traders shall be eligible for open access to the intra state transmission system of the State Transmission Utility or any transmission Licensee on payment of transmission and other charges as may be determined by the Commission.

(2) Subject to the provisions of these regulations, the Licensees, generating companies including persons who have established a captive generating plant and consumers shall be eligible for open access to Distribution System of a Distribution Licensee on payment of the wheeling charges as may be determined by the Commission.

(3) A person having been declared insolvent or bankrupt or having outstanding dues against him for more than two months billing of transmission or distribution Licensee at the time of application shall not be eligible for open access

(4) In the case of a person, to whom open access has already been allowed, is declared insolvent or bankrupt or is having outstanding dues for more than two months billing of transmission or distribution Licensee, he shall not be eligible for open access from the day he is adjudged as insolvent or bankrupt or failed to clear the amount outstanding for more than two months billing.

5 Provisions for existing agreements / contracts for wheeling of power

The persons availing access to the intra state transmission system and / or of the distribution system in the State on the date of coming into force of these regulations under an existing agreement / contract shall be entitled to continue to avail such access to the transmission and distribution system on the same terms and conditions, as stipulated under such existing agreement / contract.. Such persons are eligible to avail long term intra state open access under these regulations on expiry of such existing agreement / contract. Such of those persons, shall have to apply to come under the long term open access category at least thirty days prior to the expiry of such existing agreement / contract.

6. **Categorization of intra state Open Access Customers**

Subject to the provisions of regulation 5 above, the open access customers shall be classified into the following categories:

(i) Short-term intra state open access customer

An open access customer, availing intra state open access for a period of one year or less shall be short-term intra state open access customer.

(ii) Long-term intrastate Open Access customers

An open access customer availing intra state open access for a period of five years or more shall be long-term intra state open access customer.

Note 1: Open access applications for a period less than five years and more than a year shall be considered under short term open access only and shall be allowed at a time for a period not exceeding one year.

Note 2: A generator of electricity through non conventional energy sources shall be treated as long term intra state open access customer and shall be eligible for open access irrespective of the generating capacity

7. Allotment Priority

The priority for allotment of open access shall be decided on the following criteria:

(a) A distribution Licensee shall have the highest priority in allotment of open access capacity irrespective of whether the open access request is for long term or short term

(b) Other long-term open access customers shall have the priority next to the Distribution Licensee

(c) The short-term open access customer shall have the priority next to the long term open access customer

(d) Allotment priority for short term open access customer shall be decided subject to capacity availability

(e) An existing open access customer shall have the priority higher than new open access customer under respective category provided he applies for its renewal thirty days prior to the expiry of existing term of open access.

(f) Subject to clauses (a) to (e) above, the decision shall be based on the basis of first come first served;

(g) During capacity availability constraints, the allotment can be made available to the next senior applicant, provided that the first senior is not able to limit his requirement to the available capacity and so on.

8. Computation of capacity availability for open access

(1) The capacity available for the intra state open access shall be computed for each transmission segment and for every sub station by the STU following the methodology given below:

a) Available open access capacity of a transmission system segment: = (DC-SD-AC) + NC where, DC = Designed capacity of the transmission segment in MW, SD = Sustained demand in MW recorded in the segment, AC = Already allocated capacity, but not availed and NC = Capacity in MW expected to be added

b) Available open access capacity of a sub station: = TC- SP-AC where, TC= Transformer capacity of the sub station in MVA, SP= Sub station peak in MVA, and AC= Already allotted capacity but not availed in MVA

The STU shall update these values on monthly basis on the first calendar day of the month and publish it in their website

(2) The appropriate distribution Licensee shall determine the available capacity for the portion of the distribution system over which open access is demanded

9. Charges for open access

The following charges as applicable are payable by the open access customer.

(1) Transmission charge or wheeling charge

(a) Transmission charges payable to State Transmission Utility / Transmission Licensee and wheeling charges payable to Distribution Licensee, by an open access customer shall be determined by the Commission. Wheeling charges shall be determined on the basis of same principles as laid down for intra state transmission charges.

(b) Where a dedicated transmission system or a distribution system used for open access has been constructed for exclusive use of an open access customer, the transmission charges or wheeling charges for such dedicated system shall be worked out by the Licensee and got approved by the Commission and shall be borne entirely by such open access customer till such time the surplus capacity is allotted and used for by other persons or purposes.

(c) In case intra state transmission system or distribution system is used by an open access customer in addition to inter-state transmission system, transmission charges and wheeling charges as fixed and approved by the Commission shall be payable for use of intra-state system in addition to payment of transmission charges for inter-state transmission.

(2) Surcharge

If open access facility is availed of by a subsidizing consumer of a distribution Licensee of the State or by a direct / embedded customer to supply electricity to subsidizing HT consumer of the distribution Licensee in the State, then such customer, in addition to transmission and / or wheeling charges, shall pay a surcharge worked out in the following manner:

(a) The surcharge would be determined by the Commission, taking into account the tariff applicable to the relevant category of consumers and the cost of the distribution Licensee to supply electricity to the consumers of the applicable class.

(b) The amount of surcharge shall be so calculated as to meet the current level of cross subsidy from that category of consumers and shall be paid to the distribution Licensee of the area of supply from whom the consumer is availing supply.

(c) The surcharge will be reduced and eliminated in the same manner as the Commission may lay down for reduction and elimination of cross subsidies in its roadmap for such reduction and elimination of cross subsidy.

Note : Provided that such surcharge shall not be levied in case transmission access is provided to a person who has established a captive generation plant for carrying the electricity to the destination of his own use.

(3) Additional Surcharge

(a) An open access customer, receiving supply of electricity from a person other than the distribution Licensee of his area of supply, shall pay to the distribution Licensee an additional surcharge on the charges of wheeling, in addition to wheeling charges and surcharge, to meet out the fixed cost of such distribution Licensee arising out of his obligation to supply as provided under sub-section (4) of section 42 of the Act; This additional surcharge shall become applicable only if

the obligation of the Licensee in terms of power purchase commitments has been and continues to be stranded.

(b) The distribution Licensee whose consumer intends to avail open access shall submit to the Commission within fifteen days of receipt of application, a detailed calculation statement of fixed cost which the Licensee is incurring towards his obligation to supply;

(c) The Commission shall scrutinize the statement of calculation of fixed cost submitted by the distribution Licensee and obtain objections, if any, from the open access customer and determine the amount of additional surcharge.

(d) The additional surcharge shall be levied for such period as the Commission may determine.

Note : Provided that such additional surcharges shall not be levied in case transmission access is provided to a person who has established a captive generation plant for carrying the electricity to the destination of his own use

(4) Scheduling and system operation charges

(a) The scheduling and system operation charges payable to State Load Dispatch Center by open access customer shall be such as determined by the Commission under section 32 of the Act;

(b) The scheduling and system operation charges collected by the State Load Dispatch Center in accordance with clause (1) above shall be in addition to the other fees and charges approved by the Commission under this regulations

(c) The Scheduling and system operation charges shall be payable even when the open access customer happens to be a generating company or trading Licensee, availing open access under these regulations.

(5) Unscheduled interchange (UI) pricing

The Commission may, from time to time, as the occasion may require, by separate order, and in accordance with tariff policy issued under section 3 of the Act, determine the unscheduled interchange charges payable by the generators, Licensees and consumers.

Provided that the actual payment of such interchange charges may be deferred by the Commission till such period which may be determined by the Commission having regard to the extent of demand for open access and the extent of involvement of private operators in power generation and distribution

(6) Reactive Energy Charges

(a) The payment for the reactive energy charges for the direct customers on account of open access shall be in accordance with the charges to be approved by the Commission from time to time. These charges shall be based on the requirements to be met by the direct customer with regard to reactive power generation / drawal, as stipulated in the State Grid Code / Distribution Code / Supply Code, as the case may be.

(b). The reactive energy charges payable to or receivable by the Licensee (presently the State Electricity Board) or the State Transmission Utility shall be paid to or received from the pool by the Licensee or the State Transmission Utility concerned and shall not be apportioned to the embedded customers.

(c) The reactive energy drawals and injections by the embedded customers shall be governed by these regulations applicable within the State concerned.

(7) Grid availability Charges

(a) In cases of outages of generator supplying to a consumer on open access or when the scheduled generation is not maintained or when the drawal by the said consumer is in excess of the schedule, standby arrangements should be provided by the distribution Licensee. Towards this end, the Licensee is entitled to collect grid availability charges for back up supply from the grid. For the present, the applicable tariff of that consumer category shall be allowed as the grid support charges. As and when the ABT regime is implemented in the State and the UI charges are fixed by the Commission, the grid support charge eligible to the Licensee shall be (a) the tariff applicable to the particular consumer category or (b) the applicable UI charges whichever is higher.

(b) If a generator happens to be an open access customer, partly or fully in third party sale of power and he desires to avail start up power from the Grid, the generator shall be permitted to do so at a charge to be determined by the Commission for the start up power. However if the generator who has availed open access, happens to be a Captive Power Producer / NCES Generator / Independent Power Producer (IPP) and desires to avail start up power from the Grid, the transaction shall be governed by the respective CPP / NCES policy of the Commission or as per the power purchase agreement in the case of IPP approved by the Commission

(8) Restoration Charges:

Any default in payment of the various charges as specified under the sub regulations (1) to (7), within the time stipulated by the Commission will automatically result in the discontinuance of the open access to the customer. Restoration of such discontinuance shall be subject to the payment of restoration charges and other restoration conditions to be determined by the Commission separately and from time to time

10. Nodal Agency

(i) The nodal agency for arranging the long-term intra state transmission / distribution access shall be the State Transmission Utility.

(ii) The nodal agency for the short-term intra state transmission /distribution access shall be the State Load Dispatch Centre.

Note: (i) The nodal agency for arranging Long term inter state transmission/ distribution access shall be the Central Transmission Utility (CTU) / Transmission Licensee in whose system the point of drawal is situated

(ii) The nodal agency for short term inter state transmission / distribution access shall be the Regional Load Dispatch Center (RLDC) where the point of drawal is situated.

11. Phasing of Open Access

The open Access shall be allowed to the intra state transmission system subject to the satisfaction of the conditions contained in the Act and in these regulations. Having regard to operational constraints and other relevant factors, open access shall be allowed to customers as stated below:

(a) In the first phase, open access shall be allowed to all existing and new HT consumers with a load of 10 MW and above before six months from the date of commencement of these regulations.

(b) In the second phase, open access shall be allowed to all existing HT consumers and new applicants with a load of 5 MW after six months but before eighteen months from the date of commencement of these regulations.

(c) In the third and final phase, open access shall be allowed to all existing HT consumers and new applicants with a load of 1 MW and above, after eighteen months but before 30th December 2008.

(d) In respect of distribution Licensee / trading Licensee, the same phasing as above shall apply

(e) A person covered by a policy relating to captive generation or generation through non conventional energy sources shall be eligible to avail open access for their own use irrespective of contract demand.

(f) A person covered by a policy relating to captive generation or generation through non conventional energy sources shall be eligible to avail open access in respect of third party sale subject to the above phasing of open access.

12. Procedure for Long-Term Open Access Customer

(a) Application for long-term open access shall be submitted by a Open access customer along with the agreement, commitment letter from the supplier, details of terminal beneficiary etc., to the State Transmission Utility (STU). The application shall contain details such as capacity needed, point of injection, point of drawal, duration of availing open access, peak load, sustained load and such

other additional information that may be specified by STU. If the terminal beneficiary happens to be a consumer of a distribution Licensee in the State, an undertaking from such consumer that he will abide by the terms and conditions under these regulations on the payments to be made by him for the various charges covered in these regulations shall be obtained and attached to the application. A customer intending to avail open access shall also submit a copy of his application to the distribution Licensee of the State involved in this open access transaction .

Provided that the nodal agency shall issue necessary guidelines, procedure and application forms within thirty days from the date of commencement of these regulations.

(b) The application shall be accompanied by a non-refundable application registration fee of rupees five thousand payable in the manner to be decided by the STU;

(c) Based on system studies conducted in consultation with other agencies involved including other transmission and distribution Licensees, the nodal agency shall, within thirty days of receipt of the application, intimate to the applicant whether or not the long-term access can be allowed, without further system strengthening:

(d) Provided that where the long-term access can be allowed , subject to the provisions in these regulations and without further system strengthening, then such long term access shall be allowed immediately after entering into commercial agreements.

(e) If, in the opinion of the nodal agency, further system strengthening is essential before providing the long-term access, the applicant may request the nodal agency to carry out the system studies and preliminary investigation for the purpose of cost estimates and completion schedule for system strengthening; The nodal agency shall carry out the studies immediately on receipt of request from the applicant and intimate results of the studies within ninety days of receipt of request from the applicant. The applicant shall reimburse the actual expenditure incurred by the nodal agency for system strengthening studies.

(f) After the feasibility is established and prior to execution of agreement, a sum of Rs 50,000 (fifty thousand) shall be payable to the nodal agency towards the open access agreement fee.

(g) After agreements have been entered into and copies furnished to State Load Dispatch Centre, the State Load Dispatch Centre shall inform the open access customer the date from which open access will be available. Furnishing this information will not be later than three days from the date of entering into the agreements.

(h). A long-term open access customer shall not relinquish or transfer his rights and obligations specified in the open access agreement, without prior approval of the Commission. The relinquishment or transfer of right and obligations shall be subject to payment of compensation, as may be determined by the Commission.

13. Procedure for Short-Term Open Access Customer

(a) An application for short -term open access shall be submitted by a Open access customer, along with the agreement, commitment letter from the supplier, details of terminal beneficiary etc., to the State Load Dispatch Center (SLDC). The application shall contain details such as capacity needed, point of injection, point of drawal, duration of availing open access, peak load, sustained load and such other additional information that may be specified by the SLDC. A customer intending to avail open access shall also submit a copy of his application to the distribution Licensee of the area in which the direct / embedded customer is located.

(b) The application shall be accompanied by a non-refundable application registration fee of Rs 1000/ (one thousand), payable in the manner to be decided by the SLDC;

(c). SLDC shall inform the feasibility for the short term open access to the applicant within fifteen days from the date of receipt of the application.

(d). After the feasibility is established and prior to execution of agreement, a sum of Rs 10000 (ten thousand) shall be payable to the SLDC towards the open

access agreement fee in the name and in the manner to be decided by the SLDC;

(e) The reserved capacity by a short term open access customer is not transferable to others.

(f). In case a short-term customer is unable to utilize the full or substantial part of the capacity reserved, he shall inform the State Load Dispatch Centre along with reasons for his inability to utilize the reserved capacity and may surrender the reserved capacity.

(g) The State Load Dispatch Centre may reduce or cancel the reserved capacity of a short-term customer when such a short-term customer frequently under-utilizes the reserved capacity;

(h) The short-term customer, who has surrendered the reserved capacity or whose reserved capacity has been reduced or cancelled, shall bear full transmission or distribution charges as the case may be and the scheduling and system operation charges based on original reserved capacity till such time it is not utilized by the utility or allotted to any other open access customer, and limited to the period for which the capacity was reserved;

(i). The capacity available as a result of surrender or reduction or cancellation of the reserved capacity by the State Load Dispatch Centre, may be reserved for any other short-term open access customer in accordance with these regulations.

(j). For the purpose of registration / agreement fee, renewal of short term open access agreements shall be treated in the same way as a new applicant.

14. Curtailment Priority

When, because of constraints or otherwise, it becomes necessary to curtail the open access service of the customers, subject to the requirements of Grid Code, the short-term intra state customers shall be curtailed first, followed by the long-term intrastate customers. The open access to a distribution Licensee shall be the last to be curtailed. SLDC shall frame guidelines for curtailment of intra state open access customers.

15. Metering

(1) The open access customer shall provide metering arrangements in accordance with the Central Electricity Authority's "Regulations on Installation and Operation of meters" and based on period of supply and tariff category.

(2) The Generating company or a Licensee contracting to effect supply to an open access customer shall provide Main Meters at interconnecting points based on the customers to whom it will effect supply under open access or in case of inter state transmission, it shall arrange communication of energy accounts of respective Regional Load Dispatch Centers, effected through displacement/adjustment in the format as may be specified by State Load Dispatch Centre on real time basis as well as periodically;

(3) The Distribution Licensee may provide Check Meters of the same specification as Main Meters;

(4) The Main and Check Meters shall be periodically tested and calibrated by State Transmission Utility in the presence of other party involved. Both parties shall seal Main and Check meters. Defective meter shall be replaced immediately. The periodicity of testing, checking, calibration etc., will be governed by the regulations issued by the Central Electricity Authority in this regard.

(5) Reading of Main and Check meters shall be taken periodically at appointed day and hour by authorized officer of distribution Licensee and customer or his representative, if present. Meter reading shall be immediately communicated to State Load Dispatch Centre, customer, State Transmission Utility and Generating Company / electricity trader, as the case may be, by the distribution Licensee, within twelve hours. Check meter readings shall be considered when Main Meters are found to be defective or stopped.

Provided that if difference between the readings of main and check meter vis-à-vis main meter reading exceeds twice the percentage error applicable to relevant class, both meters shall be tested and the one found defective shall be immediately replaced and reading of other will be considered.

Provided further that Distribution Licensee for the purpose of this clause shall be the distribution Licensee operating and maintaining distribution system to which consumer's premises are connected;

(6) An open access customer or generating company or Licensee may request distribution Licensee to provide Main Meters. In that case he shall provide security to distribution Licensee and shall pay for its rent and Main Meter shall be maintained by Distribution Licensee;

(7) Main and Check Meters shall have facility to communicate its reading to State Load Dispatch Centre on real time basis or otherwise as may be specified by the Commission. Such special energy meters (conforming to the requirements to be specified by Central Electricity Authority in this regard) shall be installed by the direct customers to the STU and if required, also by the embedded customers as found necessary by the STU / SLDC (the nodal agency)

8 The Special Energy Meters installed shall be capable of time-differentiated measurements (fifteen minutes integration) of active energy and voltage-differentiated measurement of reactive energy as specified by the State Transmission Utility or the State Load Dispatch Centre.

(9) The term 'Meter' shall include Current transformers, voltage/potential transformers, wiring between them and meter box/panel.

16. Energy losses

The open access customers shall bear average energy losses in the transmission system as estimated by the State Load Dispatch Centre. The energy losses in the transmission system shall be compensated by additional injection at the injection point. The information regarding average energy losses for the previous fifty two weeks shall be posted on the website of the State Load Dispatch Centre. Fortnightly average transmission loss in the system on all open access customers would need to be monitored by the SLDC.

In case of distribution open access the Licensee shall estimate the losses in the HT system (upto 11 KV). These losses as approved by Commission shall be borne by the open access customer. Progressively these losses shall be calculated using scientific methods and the same shall be borne by the open access customers after it is approved by the Commission under the tariff notification.

17. Compliance of Grid Code

The open access customer shall abide by the Indian Electricity Grid Code, the Tamil Nadu Electricity Grid Code and instructions given by State Transmission Utility and State Load Dispatch Centre as applicable from time to time.

18. Payment Security

(a) As a payment security towards transmission charges, a deposit equal to three months of the average billing on the basis of agreed contract demand or scheduled drawal shall be maintained with the State Transmission Utility.
(b) As a payment security towards SLDC charges, a deposit equal to three months of the SLDC charges shall be maintained with the State Load Dispatch Centre.
(c). As a payment security towards wheeling charges, surcharge and additional surcharge, a deposit equal to three months of average billing for these charges shall be maintained with the distribution Licensee of the area of supply.
(d) Such security may be in the form of cash deposit, irrevocable letter of credit from a local branch of a nationalized bank.

19. Collection and Disbursement of charges

Unless notified otherwise by the Commission, the collection and disbursement of various charges as specified in Regulation 9 shall be governed as follows:

(a) The application registration and agreement fee shall be paid to the respective nodal agency.

(b) The transmission charges for the intra state transmission and wheeling charges in respect of open access customer shall be payable by the open access customer directly to respective Licensees;

(c) The scheduling and system operation charges in respect of open access customer shall be paid to the State Load Dispatch Centre,

(d) The surcharge and additional surcharge shall be paid by the open access customer directly to the distribution Licensee in his area of supply.

(e) The grid support charges shall be paid by the open access customer, directly to the concerned Distribution Licensee.

20. Information system

The State Load Dispatch Centre shall post following information on its website in a separate web page titled “Open access information” and also issue a monthly and annual report containing such information.

(1) A status report on long-term customers indicating, (a) Name of customer; (b) Period of open access granted (date of commencement and date of termination); (c) Point of injection; (d) Point of drawal; (e) Transmission’s system / distribution system used and (f) Open access capacity used.

(2) A status report on the current short-term customers indicating, (a) Name of customer; (b) Period of open access granted (date of commencement and date of termination); (c) Point of injection; (d) Point of drawal; (e) Transmission’s system / distribution system used, and (f) Open access capacity used.

(3) Peak load flows and capacity available including the reserve capacity on all EHV lines and HV lines emanating from EHV sub stations.

(4) The information regarding average loss in transmission and distribution system as determined by respective Licensee.

21. Redressal Mechanism

(1) All disputes and complaints relating to open access shall be made to the respective nodal agency, which may investigate and endeavor to resolve the grievance within thirty days, and

(2) Whenever the nodal agency viz.,STU / SLDC is unable to resolve a grievance, the matter may be referred to the Commission.

22. Powers to Remove Difficulties

If any difficulty arises in giving effect to any of the provisions of these Regulations, the Commission may by general or special order, direct the State Transmission Utility, State Load Dispatch Centre, Licensees and the open access customer, to take such action, as may appear to the Commission to be necessary or expedient for the purpose of removing difficulties.

23. Force Majeure

(1) Events such as war, mutiny, civil commotion, riot, flood, cyclone, lightning, earthquake or strike, lockout, fire affecting the premises, installations and activities of any of the parties having open access agreement shall be classified as force majeure events for the purpose of these regulations.

(2) If any person being party to an open access agreement is unable to wholly or in part perform on time and as required, any obligation under such agreement or these regulations because of the occurrence of a force majeure event, then, subject to these regulations, that obligation is suspended to the extent for so long as the affected person's ability to perform such obligation is affected by that force majeure event.

24. Power to amend

The Commission may, at anytime, vary, alter, modify or amend any provisions of these Regulations.

25. Savings

(1) Nothing contained in these Regulations shall invalidate the Commission's powers to exempt any Licensee or customer or person engaged in generation or a person whose premises are situated within the area of supply of a Distribution Licensee from any or all of the conditions for availing open access, whether before or after the notification of these Regulations:

Provided that the Commission shall, as far as practicable, give reasonable opportunity to any interested or affected party to make representations before granting such exemption.

(2) Nothing in these Regulations shall be deemed to limit or otherwise affect the inherent power of the Commission to make such orders as may be necessary to meet the ends of justice or to prevent abuses of the process of the Commission.

(3) Nothing in these Regulations shall bar the Commission from adopting in conformity with the provisions of the Act a procedure, which is at variance with any of the provisions of these Regulations, if the Commission, in view of the special circumstances of a matter or class of matters and for reasons to be recorded in writing, deems it necessary or expedient for dealing with such a matter or class of matters.

(4) Nothing in these Regulations shall, expressly or impliedly, bar the Commission dealing with any matter or exercising any power or function under the Act for which no Regulations have been framed, and the Commission may deal with such matters, powers and functions in a manner it thinks fit.

(By Order of Tamil Nadu Electricity Regulatory Commission)

R.Balasubramanian
Secretary

Annexure 3: Change summary to the revised PDD

Change Summary of PDD – Version 10 dated 28/03/2008		
SL NO	Page	Change Details
1	31	Section B7.1, table modified to state that the accuracy of the meter will 0.5 Class and the calibration frequency will be minimum once in 5 years. This is to reflect the current standard practice adopted by TNEB with regard to maintenance and calibration of electricity meters.
2	32	Section 7.2 , changes are made in consistence with the above to highlight main meters are calibrated according to the practice of TNEB and also specify the calibration frequency of main meter as once in 5 years.
3	44	Annex 4 : Changes are made in consistence with the above to clarify : TNEB is responsible for calibration The current practice of TNEB in terms of accuracy of meter is 0.5 S class The current practice of TNEB in terms of calibration frequency is minimum once in 5 years.