

ERPC: KOLKATA

Minutes of meeting of Special Meeting of the Committee to “Review the Methodology of Reactive Energy Accounting and Billing of ER constituents” held on 04.03.2020 at ERPC, Kolkata.

WBSETCL, BSPHCL, ERLDC and ERPC participated in the meeting. List of the participants is attached in **Annexure-A**.

SE (Commercial), ERPC welcomed the participants. He informed that as per decision taken in the 42nd Commercial Committee Meeting held on 25.02.2020 at ERPC, Kolkata wherein, a committee was constituted with SE, ERPC (Chairman) and one member each from WBSETCL, BSPHCL, ERLDC to review the methodology of Reactive Energy Accounting and billing of ER constituents. Accordingly, a meeting of the committee has been convened on 04.03.2020 at ERPC, Kolkata.

As per Clause 11 & 12 of Annexure-I of IEGC (w.e.f. 03/05/2010)

Quote.....

11. *RPC Secretariats shall also issue the weekly statement for VAR charges, to all regional entities who have a net drawal/injection of reactive energy under low/high voltage conditions. These payments shall also have a high priority and the concerned regional entities and other regional entities shall pay the indicated amounts into regional reactive pool account operated by the RLDC within 10 (ten) days of statement issue, provided that the Commission may direct any entity other than RLDC to operate the regional reactive pool account. The regional entities who have to receive the money on account of VAR charges would then be paid out from the regional reactive pool account, within two(2) working days from the receipt of payment in the Reactive pool account.*

12. *If payments against the above VAR charges are delayed by more than two days, i.e., beyond twelve (12) days from statement issue, the defaulting regional entity shall have to pay simple interest @ 0.04% for each day of delay. The interest so collected shall be paid to the regional entities who had to receive the amount, payment of which got delayed. Persistent payment defaults, if any, shall be reported by the RLDC to the Member Secretary, RPC, for initiating remedial action.*

As per present practice, ERPC issues weekly Reactive Charge Statement, Reactive Charges are billed to only those states that have to pay the reactive charges in the Reactive pool account as per the computation while total pay-out to the States from the Reactive Pool is reduced to zero.

This is being done as per the decision taken in the “Meeting of the Group for Fixing Methodology for computation of Reactive Energy on the Interstate Lines & Auditing of UI & Reactive Energy Accounts, etc” held on 15.09.2006 at ERPC, Kolkata. During that meeting, it was decided that the total pay-in accumulated in the Reactive pool would be used for system improvement purposes.

However, presently there is Power System Development Fund (PSDF) to take care of system improvement requirements of any State. There is well laid out procedure/guidelines of CERC/MoP for disbursement of fund to utilities from PSDF. Such a fund was non-existent during 2006 when the above decision was taken.

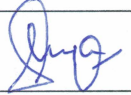
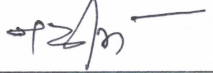


Secondly, the overall grid has undergone sea change with many Generators (ISGS, IPPs), utilities (traders for international transactions) and new transmission elements (including HVDC, SVC, STATCOM etc.) integrated with Indian Electricity grid.

Further, the Reactive Energy charges account as issued by other RPCs, were also analyzed. It was felt by the Committee that those States who help in maintaining the voltage profile should be incentivized.

Based on the discussion in the meeting and to align with the methodology followed by other RPCs, the followings are agreed subject to concurrence in the upcoming TCC/ERPC:

1. If all the States have to receive from Reactive Pool in any week, receivable amount of the respective state shall be reduced to zero.
2. If payable by states to Reactive pool is more than or equal to receivable by states from Reactive Pool, then settlement will be done as per actuals and treatment of any surplus amount shall be done as per relevant CERC Regulations.
3. If Payable by States to Reactive Pool is less than receivable by states from Reactive Pool, then the total amount payable to the pool shall be apportioned among the States who have to receive from the pool in pro rata basis.
4. If all the States have to pay to Reactive Pool, the total amount received in the pool shall be treated as per guidelines of relevant CERC Regulations.
5. ERPC will issue weekly Reactive Energy charge statement and billing & settlement will be done in the same week. There shall be no carry forward.
6. ERPC shall also issue a statement detailing VAR exchange between two States through inter-state tie lines (excluding inter-regional tie lines). The statement shall also reflect the reactive charges as computed. However, payment & settlement of such charges shall not be done from the Reactive pool but shall be done mutually by the respective states. This shall be done as per existing CERC(IEGC) regulations.
7. This methodology shall be implemented w.e.f 06.04.2020 (Monday). Retrospective revision of accounts due to change in methodology, as suggested, shall not be done.

Meeting ended with vote of thanks to chair.

Sl No	Name & Designation	Organisation	Signature
1	S. KEJRIWAL, SE	ERPC	
2	NADIM AHMAD, CM	ERLDC	
3	C. K. HALDAR ACE	NB SLDC	
4	Nadeem Ahmad, ESE	BSPHCL	 04.03.2020.

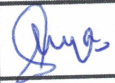
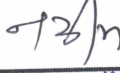
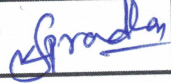


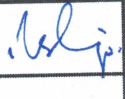
ERPC : KOLKATA

Participants in Special meeting to Review the Methodology of Reactive Energy Accounting

Venue: ERPC Conference Hall, Kolkata

Time: 11:00 hrs

Date: 04.03.2020 (Wednesday)

Sl No	Name	Designation/ Organization	Contact Number	Email	Signature
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5	C. K. Haldar	ACE, SLDC, WBSETCL	9434910379	chinmay.haldar62@gmail.com	
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