

CENTRAL ELECTRICITY REGULATORY COMMISSION

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New Delhi, the 7th August, 2009

PRESS RELEASE

CERC notifies Medium-Term Open Access and Connectivity Regulations

After detailed consultation with the stakeholders, CERC has notified the regulations on “Grant of Connectivity, Long Term Access and Medium-Term Open Access in Interstate Transmission”. The main objectives in finalizing the regulations have been providing transmission products of different varieties, standardization of procedures, defining the timelines and ensuring level playing field among different categories of market players.

2. These regulations provide for procedures and requirements for obtaining connectivity to interstate transmission system, availing medium-term open access and availing long term access. The following are the main features of these regulations:

- i) Any generating plant having installed capacity of atleast 250 MW and any bulk consumer having atleast a load of 100 MW can seek connectivity to interstate transmission system.
- ii) All the grid connected entities can seek either medium term open access or long term access to interstate transmission system.
- iii) Medium term open access would be available for any period between three months to three years and it shall be provided on the basis of availability of transmission capacity in the existing transmission system. No augmentation of transmission system is envisaged for granting medium term open access.

- iv) An entity who has been granted medium term open access can exit after giving a notice of thirty days or by paying transmission charges for a period of thirty days.
- v) Long term access can be availed for any period between 12 years to 25 years and might require construction of new transmission capacities for giving long term access. Following are the important features regarding long term access:
 - a) Long term access can be applied by indicating the regions in which supply is to be made or power is to be drawn. A generator would have an option to firm up the States in which supply is to be made any time but atleast three years in advance before the commencement of long term access so that the transmission service provider can construct necessary last mile connectivity.
 - b) Long term access can be extended further by giving a notice of six months period.
 - c) It will be possible to exercise exit option from long term access without any financial liability if the access has been availed for atleast 12 years and an advance notice is given atleast one year before such exit.
 - d) The regulations provide for exit option even before the period of 12 years at a notice of one year but subject to payment of specified charges if it is likely that the transmission capacity being vacated will remain idle. Only in case the transmission capacity is likely to be stranded, the concerned entity shall be required to pay 2/3rd of the net present value of the estimated transmission charges for the remaining period falling short of 12 years.

3. One of the important features of the regulations is that thermal generating company of atleast 500 MW capacity and hydro generating company of atleast 250 MW capacity, irrespective of ownership (whether government owned or private sector) will be connected to the grid directly and there will be no requirement of constructing a dedicated transmission line.

4. The regulations have standardized the application fees for different purposes and also the timeframes for disposal of such applications.
5. The nodal agency for seeking connectivity, medium term open access or long term access would be the Central Transmission Utility (CTU).
6. CTU has been mandated to prepare detailed procedure for implementation of these regulations within a period of sixty days during which it would consult the stakeholders by giving a notice of one month.
7. The applications under these regulations would be entertained immediately after CERC gives approval to detailed procedures.

Sd/-
(Alok Kumar)
Secretary