

CENTRAL ELECTRICITY REGULATORY COMMISSION

EXPLANATORY MEMORANDUM TO THE DRAFT CENTRAL ELECTRICITY REGULATORY COMMISSION (GRANT OF CONNECTIVITY OF CONNECTIVITY, LONG TERM ACCESS AND MEDIUM TERM ACCESS IN INTER-STATE TRANSMISSION AND OTHER RELATED MATTERS)(AMENDMENT)REGULATIONS, 2010

The Commission has notified the Central Electricity Regulatory Commission (Grant of Connectivity, Long-term Access and Medium-term Open Access in inter-State Transmission and related matters) Regulations, 2009 on 7th July 2009. The regulations came into force from 1.1.2010.

2. Regulation 2(1)(b) of the regulations defines 'Applicant' as under:

“(b) “Applicant” means

(i) a Generating station of installed capacity 250 MW and above, including a captive generating plant of exportable capacity of 250 MW and above or a bulk consumer in respect of grant of connectivity and

(ii) a generating station including a captive generating plant, a consumer, an Electricity Trader or a distribution licensee, in respect of long-term access or medium-term open access , as the case may be;”

3. Subsequent to the operation of the regulations, a number of Private developers of Hydro Power in the North Eastern Region represented to the Commission that their projects which are mostly below 250 MW are deprived of connectivity to the ISTS on account of Regulation 2(1)(b)(i) which requires the installed capacity of 250 MW and above for connectivity. Moreover, the State Transmission Utilities are slow in developing the required transmission infrastructure in the region. Similar requests have been received from other developers also. It has also been brought to the notice of the Commission that Central Electricity Authority in consultation with Central Transmission Utility and State Transmission Utilities had planned and finalized the transmission schemes for evacuation of power from a number of hydro projects, particularly in Sikkim, Himachal Pradesh and Arunachal Pradesh wherein it was intended to connect a number of medium size hydro projects of capacity below 250 MW directly to the Powergrid pooling points. Moreover, the State Transmission Utilities of Sikkim

and Arunachal Pradesh are not geared up to provide transmission facilities to the IPPs. The load demands in these states being small, most of the power generated from these IPPs would have to be exported out of these States.

4. The Commission after considering the problems of the Hydro generating companies and to bring more power to the National Grid, has decided that the hydro generating projects having an installed capacity of 50 MW and above be allowed connectivity to the ISTS. Accordingly, the definition of 'Applicant' in Regulation 2(1)(b)(i) has been proposed to be amended to provide connectivity to hydro projects of 50 MW and above.

5. The Commission has decided to circulate the draft amendments to the regulation for suggestion and comments of the stakeholders.