

# CENTRAL ELECTRICITY REGULATORY COMMISSION

New Delhi – 110 003.

No. L-7/25(5)/2003-CERC

21<sup>st</sup> February, 2005

In exercise of powers conferred under Section 178 of the Electricity Act, 2003 (36 of 2003), and all other powers enabling in this behalf, and after previous publication, the Central Electricity Regulatory Commission hereby makes the following regulations to amend the Central Electricity Regulatory Commission (Open Access in Inter-state Transmission) Regulations, 2004 (hereinafter referred to as “the principal regulations”), namely:-

1. **Short title and commencement:** (1) These regulations may be called the Central Electricity Regulatory Commission (Open Access in Inter-state Transmission) (First Amendment) Regulations, 2005.

(2) These regulations shall come into effect on 1.4.2005.

2. **Amendment of Regulation 2 of the principal regulations – Definitions:**

(i) **Insertion of new Clause (ca).** After clause (c) of Regulation 2 of the principal regulations, the following shall be inserted, namely:-

“(ca) “Day” means a day starting at 00.00 hours and ending at 24.00 hours;”

(ii) **Insertion of new Clause (ga).** After clause (g) of Regulation 2 of the principal regulations, the following shall be inserted, namely:-

“(ga) "Month" means a calendar month as per the British calendar;”

(iii) **Insertion of new clause (ka)** after clause (k) of Regulation 2 of the principal regulations, the following shall be inserted, namely :-

(ka) “working day” means a day on which banks are open for business;

(iv) **Amendment of clause (i)**. Clause (i) of Regulation 2 of the principal regulations shall be substituted as hereunder, namely:-

"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;”

3. **Omission of provisos to Clause (iii) of Regulation 4 of the principal regulations.** First and second provisos to clause (iii) of Regulation 4 of the principal regulations shall be omitted.

4. **Amendment of Regulation 6 of the principal regulations.** Regulation 6 of the principal regulations shall be substituted as hereunder, namely:-

**“ Criteria for Allotment and Reservation of Transmission Capacity**

6. (i) Allotment priority of a long-term customer shall be higher than reservation priority of a short-term customer.

- (ii) Within a category (long-term or short-term), there shall be no discrimination between open access customers and self-use by an integrated utility like the State Electricity Board.
  
- (iii) In case of inter-regional transactions, reservation of transmission capacity to the short-term customer may be reduced or cancelled by the Regional Load Despatch Centre, if the Central Government allocates power from the Central Generating Station or Stations in a region to a person in another region and such allocation, in the opinion of the Regional Load Despatch Centre, cannot otherwise be implemented due to congestion in the inter-regional link. If the Regional Load Despatch Centre decides to reduce or cancel transmission capacity reserved for a short-term customer under this clause, it shall, as soon as possible, intimate the short-term customer concerned of its decision to reduce or cancel transmission capacity.
  
- (iv) The applications for grant of short-term access shall be processed only if such short-term access is commencing in the first month to the fourth month and is not ending beyond the fourth month, taking the month in which application is made as the first month.
  
- (v) The applications for grant of short-term access received in a month for open access commencing in the month in which the

application is made or received after the nineteenth day of a month for open access commencing and terminating in the following month shall be treated on first-come-first-served basis, and short-term access shall be granted subject to availability of the transmission capacity.

- (vi) All applications for short-term access, other than the applications for short-term access to be processed on first-come-first-served basis in accordance with clause (v) above, received up to the nineteenth day of a month shall be considered together on the twentieth day of that month for advance reservation and shall be processed in the manner given hereunder, namely:-
  - (a) The applications shall be analysed to check for congestion on any of the transmission corridors to be used for short-term access.
  - (b) In case the nodal Regional Load Despatch Centre does not anticipate congestion on any of the transmission corridors involved, the applicants shall be granted short-term access for the quantum and duration sought, latest by the twenty-fifth day of the month.
  - (c) If in the opinion of the nodal Regional Load Despatch Centre, grant of short-term access to all the applicants is

likely to lead to congestion in one or more of the transmission corridors to be used for short-term access for any duration, it shall inform the applicants of its opinion accordingly and the reasons therefor on or before the twenty-third day of the month.

- (d) On receipt of intimation in accordance with sub-clause (c) above, an applicant may reduce its requirement of transmission capacity during the period of congestion or opt for access only for the duration when no congestion is anticipated and in such a situation, he shall inform the nodal Regional Load Despatch Centre accordingly by the twenty-fifth day of the month.
  
- (e) If the nodal Regional Load Despatch Centre still anticipates congestion in one or more of the transmission corridors to be used for short-term access, it shall invite electronic-bids for reservation of transmission capacity of the congested transmission corridor in accordance with Regulation 14 of these regulations on the twenty-sixth day of the month. Non-participation of an applicant in the bidding process shall be construed that he is no longer interested in open access and his application shall not be processed.

- (vii) In the event of a reserved transmission corridor subsequently becoming fully or partly vacant for certain duration in a month, the Regional Load Despatch Centre shall display this information in public domain on its website.
  
- (viii) Except as provided in clause (iii), once open access has been granted, the long-term customer or the short-term customer shall not be replaced by any other person on account of a subsequent request received from such other person.
  
- (ix) The Regional Load Despatch Centres shall lay down a detailed procedure for reservation of transmission capacity to the short-term customers after obtaining prior approval of the Commission, which shall include the detailed procedure for inviting bids, advance reservation, reservation on first-come-first-served basis, usage of alternate route through other regions if direct inter-regional links between two regions are congested or constrained and any other residual matter. Any further revision of the procedure shall be carried out only after obtaining prior approval of the Commission”

5. **Amendment of Regulation 7.** Regulation 7 of the principal regulations shall be substituted as hereunder, namely:-

**“Declaration of Long-term Open Access**

7. Every transmission licensee shall declare the existing long-term customers using its transmission system (including self-use and use by unbundled agencies which were previously integrated) either on its website or on the website of the Regional Load Despatch Centre or the State Load Despatch Centre concerned latest by the thirtieth day of June 2005.”

6. **Amendment of Regulation 13 of the principal regulations.**

(i) Clause (ii) of Regulation 13 of the principal regulations shall be substituted as hereunder, namely:-

"(ii) The application shall contain the details, such as capacity needed, point or points of injection, point or points of drawal, duration for availing of open access, peak load, average load and such other additional information that may be laid down by the Regional Load Despatch Centre;"

(ii) Clause (iii) of Regulation 13 of the principal regulations shall be substituted as hereunder, namely:

“(iii) The application shall be accompanied by a non-refundable application fee of Rupees five thousand only;

Provided that in case of application for access on the date of the application or on the following day, the application fee may be deposited within next three working days of making of application”.

7. **Insertion of new Regulation 13 A.** After Regulation 13 of the principal regulations, the following regulation shall be inserted, namely:-

**“Bidding Process for Short-term Access**

- 13A. (i) The floor price for bidding shall be the ST\_RATE determined in accordance with Regulation 16 of these regulations.
- (ii) The bidders shall quote price in terms of the floor price.
- (iii) No bidder shall be allowed to quote price which is more than five times the floor price in case of intra-regional transmission system and more than a two and a half times the floor price in case of inter-regional transmission system.
- (iv) Reservation of transmission capacity shall be made in decreasing order of the price quoted.



- (v) In case of equal price quoted by two or more bidders, the reservation of transmission capacity shall be made *pro rata* to the transmission capacity sought to be reserved.
- (vi) The short-term customer getting reservation for capacity less than the capacity sought by him shall pay the charges quoted by him and the short-term customers getting transmission capacity reservation equal to the capacity sought to be reserved, shall pay the charges quoted by the last customer getting reservation of transmission capacity.”

8. **Amendment of Regulation 14 of the principal regulations.** Regulation 14 of the principal regulations shall be substituted as hereunder, namely:-

**“Non-utilisation of reserved transmission capacity by Short-term Customer:**

14. (i) In case a short-term customer is unable to utilise, full or substantial part of the reserved transmission capacity, he shall inform the nodal Regional Load Despatch Centre along with reasons for his inability to utilise the reserved transmission capacity and may surrender the reserved transmission capacity.
- (ii) Notwithstanding any thing contained in these regulations, the Regional Load Despatch Centre may on its own reduce or cancel

the reserved transmission capacity of a short-term customer when such a short-term customer frequently underutilises the reserved transmission capacity:

Provided that the reserved transmission capacity shall not be reduced or cancelled under this clause without a prior notice to the short-term customer whose reserved transmission capacity is sought to be reduced or cancelled.

- (iii) The short-term customer, who has surrendered the reserved transmission capacity under clause (i) or whose reserved transmission capacity has been reduced or cancelled under clause (ii), shall bear the transmission charges and the operating charge based on the original reserved transmission capacity for seven days or the period of reservation surrendered or reduced or cancelled, as the case may be, whichever period is shorter.

**Note**

For the purpose of this clause, the expression “operating charge” shall have the same meaning as assigned to it under Regulation 17.

- (iv) The transmission capacity becoming available as a result of surrender by the short-term customer under clause (i) or as a result of reduction or cancellation of the reserved transmission capacity by the Regional Load Despatch Centre under clause (ii), may be reserved for any other short-term customer in accordance with these regulations.”

9. **Amendment of Regulation 15 of the principal regulations.** Regulation 15 of the principal regulations shall be substituted as hereunder, namely:-

**Treatment of Existing Transactions.**

15. Any person granted open access before commencement of the Central Electricity Regulatory Commission (Open Access in Inter-state Transmission) Regulations, (First Amendment) Regulations, 2005 shall not be disturbed till expiry of the period for which open access has been granted."

10. **Amendment of Regulation 16 of the principal regulations.** Regulation 16 of the principal regulations shall be substituted as under, namely:-

**“Transmission Charges**

16. The transmission charges for use of the transmission system of the transmission licensee for inter-state transmission shall be regulated as under, namely:-

(i) The annual transmission charges payable by a long-term customer for use of the transmission system shall be determined in accordance with the terms and conditions of tariff notified by the Appropriate Commission from time to time and after deducting the adjustable revenue received from the short-term customers, these charges shall be shared by the long-term customers.

(ii) The transmission charges payable by a short-term customer shall be calculated in accordance with the following methodology, namely:-

**(a) Intra-regional system**

$$ST\_RATE = 0.25 \times [TSC/ Av\_CAP]/ 365$$

**(b) Inter-regional system**

$$ST\_RATE = 0.50 [ TSC/ CIR]/365$$

Where:

ST\_RATE is the rate for short-term customer in Rs per MW per day.

**Note**

ST\_RATE shall be calculated and applied for each regional transmission system, inter-regional transmission link, and transmission system of the State Transmission Utility or any other transmission licensee forming part of the inter-state transmission system.

"TSC" means the annual transmission charges or annual revenue requirement on account of the transmission system for the previous financial year as determined by the Appropriate Commission.

"Av\_CAP" means the average capacity in MW served by the intra-regional transmission system of the transmission licensee in the previous financial year and shall be the sum of the generating capacities connected to the transmission system and contracted capacities of other long-term transactions handled by the system of the transmission licensee.

"CIR" means the transmission capacity of the inter-regional system

(iii) The transmission charges payable by a short-term customer in case of uncongested transmission corridor shall be levied as under, namely :-

(a) Up to 6 hours in a day in one block : 1/4<sup>th</sup> of ST\_RATE

- (b) More than 6 hours and up to 12 hours in a day in one block : 1/2 of  
ST\_RATE
- (c) More than 12 hours and upto 24 hours in a day in one block : equal  
to ST \_ RATE
- (iv) Non-determination of annual transmission charges for the transmission system shall not be a ground for delay in providing short-term access and where annual transmission charges for any transmission licensee are not determined under the Act, ST \_ RATE applicable for the system owned by the Central Transmission Utility of the region in which the system of transmission licensee is situate, shall be applied for determination of the charges for the short-term customer.
- (v) Every transmission licensee shall declare ST \_ RATE, calculated in accordance with clause (ii) above, which shall remain fixed for a period of one year.
- (vi) If the transmission system belongs to the Central Transmission Utility or State Transmission Utility, 25% of the charges collected from the short-term customer for use of its intra-regional transmission system and 12.5% of the charges collected from the short-term customers for use of its inter-regional system shall be retained by the Central Transmission Utility or State Transmission Utility and the remaining part of these

charges shall be adjusted towards reduction in the transmission charges payable by the long-term customers.

- (vii) Open access charges specified in this regulation shall not be applicable for the inter-state transmission system in North-Eastern Region. The charges for use of the inter-state transmission in this region shall be regulated under the separate orders of the Commission issued from time to time.”

11 **Amendment of Regulation 17 of the principal regulations.** Regulation 17 of the principal regulations shall be substituted as hereunder, namely:-

**“Operating Charge**

17. (i) A composite operating charge @ Rs.3,000/- per day or part of the day and @ Rs 1,000/- per day or part of the day shall be payable by a short-term customer for each transaction to the each of the Regional Load Despatch Centre involved and State Load Despatch Centre respectively.

**Note 1**

The operating charge includes fee for scheduling and system operation, fee for affecting revisions in schedule on bonafide grounds and collection and disbursement charges.

## **Note 2**

The operating charge collected by the Regional Load Despatch Centre in accordance with Clause (i) shall be in addition to the fees and charges specified by the Commission under sub-section (4) of Section 28 of the Act.

## **Explanation**

Operating charge shall be payable by a generating company when it is granted short-term access under these regulations."

12. **Amendment of Regulation 19 of the principal regulations.** Regulation 19 of the principal regulations shall be substituted as hereunder, namely:-

19. "The payment and receipt of the reactive energy charges by the direct customers on account of open access shall be calculated in accordance with the scheme applicable to transactions involving inter-state transmission approved by the Commission from time to time."

13. **Amendment of Regulation 22 of the principal regulations.** Regulation 22 of the principal regulations shall be substituted as hereunder, namely:-

## **"Time Schedule for Processing Application**

22 (i) In addition to the time schedule prescribed under regulation 6 for processing of applications for advance reservation, as far as practicable, the following time schedule shall be adhered to by the respective nodal agency for processing of the application for grant of access, namely:-

S.No.	Type of service/activity	Maximum Processing time
1.	<b>Short-term Service</b> (for the period to be treated on first-come-first-served basis)	
	Up to one week	2 days
	More than a week	3 days
2.	<b>Long-term Service</b>	
	Intimation regarding feasibility of access without system strengthening	30 days
	Intimation of results of studies for system strengthening with cost estimates and completion schedule	90 days

**(ii) Day ahead transaction:**

(a) The advance payment of transmission charges, operating charge and application fee shall not be insisted upon. These payments can be made within 3 working days of making of application.



(b) A composite request for open access and scheduling shall be sent to the nodal Regional Load Despatch Centre through the State Load Despatch Centre concerned latest by 3.00 PM. The nodal Regional Load Despatch Centre shall take steps to incorporate the request for open access in the schedules to be issued by the Regional Load Despatch Centres concerned, if the request can be accommodated without causing congestion.

(c) A composite request for open access and scheduling to utilise surpluses known after issuance of the first despatch schedule by Regional Load Despatch Centres at 5.00 PM, must be submitted to the nodal Regional Load Despatch Centre latest by 10.00 PM or preferably earlier. The nodal Regional Load Despatch Centre shall endeavour to incorporate the same in the revised despatch schedule to be issued by the Regional Load Despatch Centres concerned, if the request can be accommodated without causing congestion.

(iii) **Same Day transactions**

(a) The advance payment of transmission charges, operating charge and application fee shall not be insisted upon. These payments can be made within 3 working days of making of application.

(b) In the event of emergency, the beneficiaries/buying utility may locate a source of power to meet short-term emergency requirement on the same day and forward request for open access to the nodal Regional Load Despatch Centre through the concerned State Load Despatch Centre. The Regional Load

Despatch Centres shall endeavour to accommodate such emergency requests as soon as and to the extent practically feasible.

14. **Insertion of new Regulation 23A.** After Regulation 23 of the principal regulations, the following regulation shall be inserted, namely:-

**“Transmission Charges for short-term customers in case of curtailment**

23A. In case of curtailment of more than 50% of the reserved transmission capacity by the Regional Load Despatch Centre on any particular day on account of transmission constraints, the transmission charges for that day shall be payable by the short-term customers on *pro rata* basis in accordance with the transmission capacity actually provided.”

15. **Amendment of Regulation 24 of the principal regulations.** Regulation 24 of the principal regulations shall be substituted as hereunder, namely:-

**“Commercial Conditions**

24. (i) **Short-term customers**

(a) The transmission charges and operating charge shall be paid to the nodal Regional Load Despatch Centre on monthly basis.

(b) Advance payment for one month or period of access, whichever period is shorter, shall be made within three working days of grant of access.

(c) Subsequent payments shall be made at least one day before beginning of next month.

- (d) Payment shall be made either through cheque/demand draft payable at the location of the nodal Regional Load Despatch Centre or through electronic transfer.
- (e) If duration of access granted exceeds one month, the short- term customer shall provide an irrevocable back up letter of credit within seven days of commencement of open access.
- (f) In case of non-receipt of payment within the period specified in clause (b) or (c) above, the nodal Regional Load Despatch Centre shall, in its discretion, have the right to invoke the letter of credit or cancel the reserved transmission capacity.

(ii) Long-term customers

The commercial conditions for the long-term customer shall be same as applicable to the existing beneficiaries.”

16. **Amendment of Regulation 25 of the principal regulations.** . Regulation 25 of the principal regulations shall be substituted as hereunder, namely:-

**“Special Energy Meters**

25. The Special Energy Meters shall be installed by the Central Transmission Utility for and at the cost of the direct customers and by the concerned State Transmission Utility for and at the cost of the embedded customers.”

17. **Amendment of Regulation 31 of the principal regulations.** Regulation 31 of the principal regulations shall be substituted as hereunder, namely:-

**“Collection and Disbursement of Charges**

31. (i) The transmission charges in respect of the long-term customers shall be payable directly to the respective transmission licensee.
- (ii) The operating charge and the transmission charges payable by the short-term customers shall be collected and disbursed by the nodal Regional Load Despatch Centre.
- (iii) In case the transmission system owned by the State Transmission Utility is internalised, the transmission charges under Regulation 16 of these regulations and the operating charge payable under clause (i) of Regulation 17 to be collected by the nodal Regional Load Despatch Centre, shall not include the charges for the transmission system owned by the State Transmission Utility and operating charge payable to the State Load Despatch Centre.
- (iv) The collection and disbursement of the unscheduled inter-change charges and the reactive energy charges shall be governed in accordance with the procedure and methodology specified by the Commission from time to time.”

Sd/-  
**(A.K. SACHAN)**  
**SECRETARY**

**Note**

The principal regulations were published in Part III, Section 4 of the Gazette of India (Extraordinary) dated 6.2.2004.

The consolidated regulations, after incorporating the amendments to the principal regulations are annexed.

**CENTRAL ELECTRICITY REGULATORY COMMISSION  
NEW DELHI**

**NOTIFICATION**

No. L-7/25(4)-2003

Dated the 30<sup>th</sup> January 2004

In exercise of powers conferred by Section 178 of the Electricity Act, 2003 and all other powers enabling in this behalf, and after previous publication, the Central Electricity Regulatory Commission, hereby makes the following regulations, namely:-

**Short Title and Commencement**

1. (i) These regulations may be called the Central Electricity Regulatory Commission (Open Access in Inter-state Transmission) Regulations, 2004.

(ii) (a) These regulations, except Clause (iii) of Regulation 6 shall come into force from the date of their publication in the Official Gazette;

(b) Clause (iii) of Regulation 6 of these regulations shall come into force after expiry of 90 days from the date of publication of these regulations in the Official Gazette and during this period of 90 days, reservation for short-term customers shall be done on first-come-first-served basis:

Provided that the period for such reservation shall not exceed the period of 90 days from the date of publication of these regulations in the Official Gazette.

**Definitions**

2. In these regulations, unless the context otherwise requires, -

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

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***Amended vide notification No.L-7/25(5)/2003-CERC dated 21<sup>st</sup> February, 2005  
(Amendments shall be effective from 1.4.2005)***

- (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 inter-state transmission system under normal circumstances and the expression "allotment of transmission capacity" shall be construed accordingly;
- (c) "Commission" means Central Electricity Regulatory Commission referred to in Section 76 of the Act;
- (ca) "Day" means a day starting at 00.00 hours and ending at 24.00 hours;
- (d) "Direct customer" means a person directly connected to the system owned or operated by the Central Transmission Utility;
- (e) "Embedded customer" means a person who is not a direct customer;
- (f) "Existing beneficiary" means a person having firm allocation from a central power generating station on the date of coming into force of these regulations and who has entered into Bulk Power Transmission Agreement with the Central Transmission Utility;
- (g) "Grid Code" means the Grid Code specified by the Commission under Clause (h) of sub-section (1) of Section 79 of the Act and includes the Indian Electricity Grid Code applicable on the date of commencement of these regulations;
- (ga) "Month" means a calendar month as per the British calendar;
- (h) "Nodal agency" means the nodal agency defined in regulation 8 of these regulations;
- (i) "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;
- (j) "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;

- (k) "Transmission Customer" means any person, including open access customer using transmission system of a transmission licensee;
- (ka) "working day" means a day on which banks are open for business;
- (l) 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.

### **Extent of Application**

- 3. These regulations shall apply for access to inter-state transmission system.

### **Categorisation of Transmission Customers**

- 4. (i) The transmission customers shall be divided into two categories, namely: -
  - (a) Long-term customers, and
  - (b) Short-term customers.
- (ii) The persons availing or intending to avail access to the inter-state transmission system for a period of twenty five years or more shall be the long-term customers:

Provided that the existing beneficiaries of a regional transmission system owned or operated by the Central Transmission Utility shall be deemed to be the long-term customers of the particular regional system owned or operated by the Central Transmission Utility for the purpose of these regulations.



- (iii) The transmission customers other than the long-term customers shall be the short-term customers:

**Criteria for allowing transmission access**

- 5. (i) The long-term access shall be allowed in accordance with the transmission planning criterion stipulated in the Grid Code;
- (ii) The short-term access shall be allowed, if request can be accommodated by utilising: -
  - (a) Inherent design margins;
  - (b) Margins available due to variation in power flows; and
  - (c) Margins available due to in-built spare transmission capacity created to cater to future load growth.

**Criteria for Allotment and Reservation of Transmission Capacity**

- 6. (i) Allotment priority of a long-term customer shall be higher than reservation priority of a short-term customer.
- (x) Within a category (long-term or short-term), there shall be no discrimination between open access customers and self-use by an integrated utility like the State Electricity Board.
- (xi) In case of inter-regional transactions, reservation of transmission capacity to the short-term customer may be reduced or cancelled by the Regional Load Despatch Centre, if the Central Government allocates power from the Central Generating Station or Stations in a region to a person in another region and such allocation, in the opinion of the Regional Load Despatch Centre, cannot otherwise be implemented due to congestion in the inter-regional link. If the Regional Load Despatch

Centre decides to reduce or cancel transmission capacity reserved for a short-term customer under this clause, it shall, as soon as possible, intimate the short-term customer concerned of its decision to reduce or cancel transmission capacity.

- (xii) The applications for grant of short-term access shall be processed only if such short-term access is commencing in the first month to the fourth month and is not ending beyond the fourth month, taking the month in which application is made as the first month.
- (xiii) The applications for grant of short-term access received in a month for open access commencing and terminating in the month in which the application is made or received after the nineteenth day of a month for open access commencing and terminating in the following month shall be treated on first-come-first-served basis, and short-term access shall be granted subject to availability of the transmission capacity.
- (xiv) All applications for short-term access, other than the applications for short-term access to be processed on first-come-first-served basis in accordance with clause (v) above, received up to the nineteenth day of a month shall be considered together on the twentieth day of that month for advance reservation and shall be processed in the manner given hereunder, namely:-
  - (e) The applications shall be analysed to check for congestion on any of the transmission corridors to be used for short-term access.
  - (f) In case the nodal Regional Load Despatch Centre does not anticipate congestion on any of the transmission corridors involved, the applicants shall be granted short-term access for the

quantum and duration sought, latest by the twenty-fifth day of the month.

- (g) If in the opinion of the nodal Regional Load Despatch Centre, grant of short-term access to all the applicants is likely to lead to congestion in one or more of the transmission corridors to be used for short-term access for any duration, it shall inform the applicants of its opinion accordingly and the reasons therefor on or before the twenty-third day of the month.
- (h) On receipt of intimation in accordance with sub-clause (c) above, an applicant may reduce its requirement of transmission capacity during the period of congestion or opt for access only for the duration when no congestion is anticipated and in such a situation, he shall inform the nodal Regional Load Despatch Centre accordingly by the twenty-fifth day of the month.
- (e) If the nodal Regional Load Despatch Centre still anticipates congestion in one or more of the transmission corridors to be used for short-term access, it shall invite electronic-bids for reservation of transmission capacity of the congested transmission corridor in accordance with Regulation 14 of these regulations on the twenty-sixth day of the month. Non-participation of an applicant in the bidding process shall be construed that he is no longer interested in open access and his application shall not be processed.
- (xv) In the event of a reserved transmission corridor subsequently becoming fully or partly vacant for certain duration in a month, the Regional Load

Despatch Centre shall display this information in public domain on its website.

- (xvi) Except as provided in clause (iii), once open access has been granted, the long-term customer or the short-term customer shall not be replaced by any other person on account of a subsequent request received from such other person.
- (xvii) The Regional Load Despatch Centres shall lay down a detailed procedure for reservation of transmission capacity to the short-term customers after obtaining prior approval of the Commission, which shall include the detailed procedure for inviting bids, advance reservation, reservation on first-come-first-served basis, usage of alternate route through other regions if direct inter-regional links between two regions are congested or constrained and any other residual matter. Any further revision of the procedure shall be carried out only after obtaining prior approval of the Commission.

### **Declaration of Long-term Open Access**

7. Every transmission licensee shall declare the existing long-term customers using its transmission system (including self-use and use by unbundled agencies which were previously integrated) either on its website or on the website of the Regional Load Despatch Centre or the State Load Despatch Centre concerned latest by the thirtieth day of June 2005.

### **Nodal Agency**

8. (i) The nodal agency for arranging the long-term transmission access shall be the Central Transmission Utility if its system is used, otherwise the

nodal agency shall be transmission licensee in whose system the point of drawal of electricity is situate;

- (ii) The nodal agency for the short-term transmission access shall be the Regional Load Despatch Centre of the region where point of drawal of electricity is situate.

### **Procedure for Long-Term Customer**

- 9. (i) An application for long-term access shall be submitted to the nodal agency;
- (ii) The application shall contain the details, such as capacity needed, point(s) of injection, point(s) of drawal, duration of availing open access, peak load, average load and such other additional information that may be specified by the nodal agency:

Provided that the nodal agency shall issue necessary guidelines, procedure and application forms within 30 days of commencement of these regulations.

- (iii) The application shall be accompanied by a non-refundable application fee of Rs one lakh payable in the name and in the manner to be decided by the nodal agency;
- (iv) Based on system studies conducted in consultation with other agencies involved including other transmission licensees, the nodal agency shall, within 30 days of receipt of the application, intimate to the applicant whether or not the long-term access can be allowed without further system strengthening:

Provided that where the long-term access can be allowed without further system strengthening, this shall be allowed immediately after entering into commercial agreements.

(v) 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;

(vi) The nodal agency shall carry out the studies immediately on receipt of request from the applicant under clause (v) above and intimate results of the studies within 90 days of receipt of request from the applicant;

(vii) The applicant shall reimburse the actual expenditure incurred by the nodal agency for system strengthening studies:

Provided that the fee of rupees one lakh paid by the applicant shall be adjusted against the actual expenditure to be reimbursed by the applicant.

10. The allotment of transmission capacity to a long-term customer may be relinquished or transferred to any other long-term customer in accordance with regulation 12 of these regulations.

### **Bulk Power Transmission Agreement**

11. A long-term customer shall enter into Bulk Power Transmission Agreement with the transmission licensee for use of inter-state transmission system.

### **Exit Option**

12. (i) A long-term customer shall not relinquish or transfer his rights and obligations specified in the Bulk Power Transmission Agreement, without prior approval of the Commission.
- (ii) The relinquishment or transfer of rights and obligations by a long-term customer shall be subject to payment of compensation, as may be determined by the Commission.

### **Procedure for Short-Term Customer**

13. (i) A short-term customer shall submit an application for transmission access to the nodal Regional Load Despatch Centre;
- (ii) The application shall contain the details, such as capacity needed, point or points of injection, point or points of drawal, duration for availing of open access, peak load, average load and such other additional information that may be laid down by the Regional Load Despatch Centre;
- (iii) The application shall be accompanied by a non-refundable application fee of Rupees five thousand only;

Provided that in case of application for access on the date of the application or on the following day, the application fee may be deposited within next three working days of making of application.

- (iv) The reserved transmission capacity shall not be transferred by a short-term customer to any other customer.

### **Bidding Process for Short-term Access**

- 13A. (i) The floor price for bidding shall be the ST\_RATE determined in accordance with Regulation 16 of these regulations.

- (vii) The bidders shall quote price in terms of the floor price.
- (viii) No bidder shall be allowed to quote price which is more than five times the floor price in case of intra-regional transmission system and more than a two and a half times the floor price in case of inter-regional transmission system.
- (ix) Reservation of transmission capacity shall be made in decreasing order of the price quoted.
- (x) In case of equal price quoted by two or more bidders, the reservation of transmission capacity shall be made *pro rata* to the transmission capacity sought to be reserved.
- (xi) The short-term customer getting reservation for capacity less than the capacity sought by him shall pay the charges quoted by him and the short-term customers getting transmission capacity reservation equal to the capacity sought to be reserved, shall pay the charges quoted by the last customer getting reservation of transmission capacity.

**Non-Utilisation of reserved transmission capacity by Short-term Customer**

14. (i) In case a short-term customer is unable to utilise, full or substantial part of the reserved transmission capacity, he shall inform the nodal Regional Load Despatch Centre along with reasons for his inability to utilise the reserved transmission capacity and may surrender the reserved transmission capacity.
- (ii) Notwithstanding any thing contained in these regulations, the Regional Load Despatch Centre may on its own reduce or cancel the reserved



transmission capacity of a short-term customer when such a short-term customer frequently underutilises the reserved transmission capacity:

Provided that the reserved transmission capacity shall not be reduced or cancelled under this clause without a prior notice to the short-term customer whose reserved transmission capacity is sought to be reduced or cancelled.

- (iii) The short-term customer, who has surrendered the reserved transmission capacity under clause (i) or whose reserved transmission capacity has been reduced or cancelled under clause (ii), shall bear the transmission charges and the operating charge based on the original reserved transmission capacity for seven days or the period of reservation surrendered or reduced or cancelled, as the case may be, whichever period is shorter.

**Note**

For the purpose of this clause, the expression “operating charge” shall have the same meaning as assigned to it under Regulation 17.

- (iv) The transmission capacity becoming available as a result of surrender by the short-term customer under clause (i) or as a result of reduction or cancellation of the reserved transmission capacity by the Regional Load Despatch Centre under clause (ii), may be reserved for any other short-term customer in accordance with these regulations.

**Treatment of Existing Transactions**

15. Any person granted open access before commencement of the Central Electricity Regulatory Commission (Open Access in Inter-state Transmission)

Regulations, (First Amendment) Regulations, 2005 shall not be disturbed till expiry of the period for which open access has been granted.

### **Transmission Charges**

16. The transmission charges for use of the transmission system of the transmission licensee for inter-state transmission shall be regulated as under, namely:-

- (iii) The annual transmission charges payable by a long-term customer for use of the transmission system shall be determined in accordance with the terms and conditions of tariff notified by the Appropriate Commission from time to time and after deducting the adjustable revenue received from the short-term customers, these charges shall be shared by the long-term customers.
- (ii) The transmission charges payable by a short-term customer shall be calculated in accordance with the following methodology, namely:-

**(a) Intra-regional system**

$$ST\_RATE = 0.25 \times [TSC/ Av\_CAP]/ 365$$

**(b) Inter-regional system**

$$ST\_RATE = 0.50 [ TSC/ CIR]/365$$

Where:

ST\_RATE is the rate for short-term customer in Rs per MW per day.

**Note**

ST\_RATE shall be calculated and applied for each regional transmission system, inter-regional transmission link, and transmission system of the State Transmission Utility or any other transmission licensee forming part of the inter-state transmission system.

"TSC" means the annual transmission charges or annual revenue requirement on account of the transmission system for the previous financial year as determined by the Appropriate Commission.

"Av\_CAP" means the average capacity in MW served by the intra-regional transmission system of the transmission licensee in the previous financial year and shall be the sum of the generating capacities connected to the transmission system and contracted capacities of other long-term transactions handled by the system of the transmission licensee.

"CIR" means the transmission capacity of the inter-regional system

- (iii) The transmission charges payable by a short-term customer in case of uncongested transmission corridor shall be levied as under, namely :-
- (d) Up to 6 hours in a day in one block :  $1/4^{\text{th}}$  of ST\_RATE
  - (e) More than 6 hours and up to 12 hours in a day in one block :  $1/2$  of ST\_RATE
  - (f) More than 12 hours and upto 24 hours in a day in one block : equal to ST \_ RATE
- (vi) Non-determination of annual transmission charges for the transmission system shall not be a ground for delay in providing short-term access and where annual transmission charges for any transmission licensee are not determined under the Act, ST \_ RATE applicable for the system owned by the Central Transmission Utility of the region in which the system of transmission licensee is situate, shall be applied for determination of the charges for the short-term customer.

- (vii) Every transmission licensee shall declare ST \_ RATE, calculated in accordance with clause (ii) above, which shall remain fixed for a period of one year.
- (vi) If the transmission system belongs to the Central Transmission Utility or State Transmission Utility, 25% of the charges collected from the short-term customer for use of its intra-regional transmission system and 12.5% of the charges collected from the short-term customers for use of its inter-regional system shall be retained by the Central Transmission Utility or State Transmission Utility and the remaining part of these charges shall be adjusted towards reduction in the transmission charges payable by the long-term customers.
- (vii) Open access charges specified in this regulation shall not be applicable for the inter-state transmission system in North-Eastern Region. The charges for use of the inter-state transmission in this region shall be regulated under the separate orders of the Commission issued from time to time.

**Operating Charge**

17. (i) A composite operating charge @ Rs.3,000/- per day or part of the day and @ Rs 1,000/- per day or part of the day shall be payable by a short-term customer for each transaction to the each of the Regional Load Despatch Centre involved and State Load Despatch Centre respectively.

**Note 1**

The operating charge includes fee for scheduling and system operation, fee for affecting revisions in schedule on bonafide grounds and collection and disbursement charges.

**Note 2**

The operating charge collected by the Regional Load Despatch Centre in accordance with Clause (i) shall be in addition to the fees and charges specified by the Commission under sub-section (4) of Section 28 of the Act.

**Explanation**

Operating charge shall be payable by a generating company when it is granted short-term access under these regulations.

**Unscheduled Inter-change (UI) charges**

18. (i) The mismatch between the scheduled and the actual drawal at drawal point(s) and scheduled and the actual injection at injection point(s) shall be met from the grid and shall be governed by UI pricing mechanism applicable to the inter-state transactions;
- (ii) A separate bill for UI charges shall be issued to the direct customers and in case of the embedded customers, a composite UI bill for the State as a whole shall be issued, the segregation for which shall be done at the State level.

**Reactive Energy Charges**

19. The payment and receipt of the reactive energy charges by the direct customers on account of open access shall be calculated in accordance with the scheme applicable to transactions involving inter-state transmission approved by the Commission from time to time.

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

21. The reactive energy drawals and injections by the embedded customers shall be governed by the regulations applicable within the State concerned.

**Time-schedule for Processing Application**

22 (i) In addition to the time schedule prescribed under regulation 6 for processing of applications for advance reservation, as far as practicable, the following time schedule shall be adhered to by the respective nodal agency for processing of the application for grant of access, namely:-

<b>S.No.</b>	<b>Type of service/activity</b>	<b>Maximum Processing time</b>
<b>1.</b>	<b>Short-term Service</b> (for the period to be treated on first-come-first-served basis)	
	Up to one week	2 days
	More than a week	3 days
<b>2.</b>	<b>Long-term Service</b>	
	Intimation regarding feasibility of access without system strengthening	30 days
	Intimation of results of studies for system strengthening with cost estimates and completion schedule	90 days

**(iv) Day ahead transactions:**

(d) The advance payment of transmission charges, operating charge and application fee shall not be insisted upon. These payments can be made within 3 working days of making of application.

(e) A composite request for open access and scheduling shall be sent to the nodal Regional Load Despatch Centre through the State Load Despatch Centre concerned latest by 3.00 PM. The nodal Regional Load Despatch Centre shall take steps to incorporate the request for open access in the schedules to be issued by the Regional Load Despatch Centres concerned, if the request can be accommodated without causing congestion.

(f) A composite request for open access and scheduling to utilise surpluses known after issuance of the first despatch schedule by Regional Load Despatch Centres at 5.00 PM, must be submitted to the nodal Regional Load Despatch Centre latest by 10.00 PM or preferably earlier. The nodal Regional Load Despatch Centre shall endeavour to incorporate the same in the revised despatch schedule to be issued by the Regional Load Despatch Centres concerned, if the request can be accommodated without causing congestion.

**(iii) Same Day transactions**

(b) The advance payment of transmission charges, operating charge and application fee shall not be insisted upon. These payments can be made within 3 working days of making of application.

- (b) In the event of emergency, the beneficiaries/buying utility may locate a source of power to meet short-term emergency requirement on the same day and forward request for open access to the nodal Regional Load Despatch Centre through the concerned State Load Despatch Centre. The Regional Load Despatch Centres shall endeavour to accommodate such emergency requests as soon as and to the extent practically feasible.

### **Curtailment Priority**

23. When because of transmission constraints or otherwise, it becomes necessary to curtail the transmission service of the transmission customers, the short-term customers shall be curtailed first followed by the long-term customers:

Provided that within a category, all users shall have same curtailment priority and shall be curtailed pro rata to the allotted transmission capacity in the case of long-term customers and the reserved transmission capacity in the case of short-term customers.

### **Transmission Charges for short-term customers in case of curtailment**

23A. In case of curtailment of more than 50% of the reserved transmission capacity by the Regional Load Despatch Centre on any particular day on account of transmission constraints, the transmission charges for that day shall be payable by the short-term customers on *pro rata* basis in accordance with the transmission capacity actually provided.



## **Commercial Conditions**

### 24. (i) **Short-term customers**

- (a) The transmission charges and operating charge shall be paid to the nodal Regional Load Despatch Centre on monthly basis.
- (b) Advance payment for one month or period of access, whichever period is shorter, shall be made within three working days of grant of access.
- (c) Subsequent payments shall be made at least one day before beginning of next month.
- (d) Payment shall be made either through cheque/demand draft payable at the location of the nodal Regional Load Despatch Centre or through electronic transfer.
- (e) If duration of access granted exceeds one month, the short-term customer shall provide an irrevocable back up letter of credit within seven days of commencement of open access.
- (f) In case of non-receipt of payment within the period specified in clause (b) or (c) above, the nodal Regional Load Despatch Centre shall, in its discretion, have the right to invoke the letter of credit or cancel the reserved transmission capacity.

### (ii) **Long-term customers**

The commercial conditions for the long-term customer shall be same as applicable to the existing beneficiaries.

## **Special Energy Meters**

25. The Special Energy Meters shall be installed by the Central Transmission Utility for and at the cost of the direct customers and by the concerned State Transmission Utility for and at the cost of the embedded customers.

26. The Special Energy Meters installed shall be capable of time differentiated measurements (15 minutes) of active energy and voltage differentiated measurement of reactive energy as specified by the Central Transmission Utility or the Regional Load Despatch Centre.

27. The Special Energy Meters shall be always maintained in good condition.

28. The Special Energy Meters for the direct customer shall be open for inspection by any person authorised by the Central Transmission Utility or the Regional Load Despatch Centre.

### **Energy losses**

29. The transmission customers shall bear average energy losses in the transmission system as estimated by the Regional Load Despatch Centre and the State Load Despatch Centre concerned. The energy losses in the transmission system shall be compensated by additional injection at the injection point(s). The information regarding average energy losses for the previous 52 weeks shall be posted on the website of the Regional Load Despatch Centres and the State Load Despatch Centres.

### **Compliance of Grid Code**

30. The open access customers shall comply with the provisions of the Grid Code in force from time to time.

### **Collection and Disbursement of charges**

31. (i) The transmission charges in respect of the long-term customers shall be payable directly to the respective transmission licensee.
- (v) The operating charge and the transmission charges payable by the short-term customers shall be collected and disbursed by the nodal Regional Load Despatch Centre.
- (vi) In case the transmission system owned by the State Transmission Utility is internalised, the transmission charges under Regulation 16 of these regulations and the operating charge payable under clause (i) of Regulation 17 to be collected by the nodal Regional Load Despatch Centre, shall not include the charges for the transmission system owned by the State Transmission Utility and operating charge payable to the State Load Despatch Centre.
- (iv) The collection and disbursement of the unscheduled inter-change charges and the reactive energy charges shall be governed in accordance with the procedure and methodology specified by the Commission from time to time.

### **Information System**

32. Each Regional Load Despatch Centre and State Load Despatch Centre shall post following information on their websites in a separate web-page titled “Open access information” :

- (i) Floor rate in rupees per MW per day for the short-term customers (ST\_RATE) for each - (a) regional system; (b) inter-regional link, and (c)

system of the State Transmission Utility or the State Electricity Board or any other transmission licensee with detailed calculations in support of such rate in respect of all the transmission licensees situate within the region or the State concerned;

- (ii) A status report on the current short-term customers indicating:-
  - (a) Name of customer;
  - (b) Period of the access granted (start date and end date);
  - (c) Point(s) of injection;
  - (d) Point(s) of drawal;
  - (e) Transmission systems used (in terms of region and ownership);
  - (f) Reserved transmission capacity; and
  - (g) Applicable rate (Rs per MW per day).

**Note**

The status report shall be updated upon every change in status.

- (iii) Month-wise and year-wise report on past short-term customers indicating:
  - (a) Name of the customer;
  - (b) Period of the access granted (start date and end date);
  - (c) Point(s) of injection;
  - (d) Point(s) of drawal;
  - (e) Transmission systems used (on the basis of region and ownership);
  - (f) Reserved transmission capacity;
  - (g) Applicable rate (Rs per MW per day); and
  - (h) Actual load factor.

**Note**

All previous reports shall also be available in the web-archives.

- (iv) Information regarding usage of the inter-regional links and the interface between the Central Transmission Utility and state systems (in case of the Regional Load Despatch Centre) and inter-state links (in case of State Load Despatch Centre) indicating:
  - (a) Time of updating;
  - (b) Name of the link;
  - (c) Total transmission capacity of the link;
  - (d) Scheduled capacity use (giving customer-wise break-up); and
  - (e) Current capacity of the link in use.

**Note**

This information should be updated at least on hourly basis, and where ever feasible on 15 minute basis.

- (v) The information regarding average energy losses for the previous 52 weeks.

33. The publication of the web-based information system shall commence within 30 days from the date of commencement of these regulations in case of the Regional Load Despatch Centres and within 180 days from the date of commencement of these regulations in case of the State Load Despatch Centres. Each transmission licensee shall make available the above information to the Regional Load Despatch Centre or State Load Despatch Centre concerned.

34. All transmission licensees shall declare current long-term customers using their system (including self-use and use by unbundled agencies which were previously integrated) with details thereof either on their own websites or on the website of the Regional Load Despatch Centre or the State Load Despatch Centre concerned, within 180 days from the date of commencement of these regulations.

**Note**

This list shall be updated as and when change in status takes place.

**Redressal Mechanism**

35. All complaints regarding unfair practices, delays, discrimination, lack of information, supply of wrong information or any other matter related to open access in inter-state transmission shall be directed to the Member Secretary, Regional Electricity Board or Regional Power Committee, as the case may be, of the region in which the authority against whom the complaint is made, is located. The Member Secretary, Regional Electricity Board or the Regional Power Committee, as the case may be, shall investigate and endeavour to resolve the grievance:

Provided that any matter which the Member Secretary, Regional Electricity Board or the Regional Power Committee, as the case may be, is unable to resolve, shall be reported to the Commission for a decision.

**Coordination**

36. The responsibilities assigned to the Regional Load Despatch Centres of formulation of procedures, guidelines and application forms under these regulations shall be coordinated by the Central Transmission Utility.

A.K. SACHAN  
SECRETARY