

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Coram

- 1. Shri Ashok Basu, Chairperson**
- 2. Shri Bhanu Bhushan, Member**
- 3. Shri A.H. Jung, Member**

**Petition No. 48/2003
(Suo Motu)**

In the matter of

Open access in inter-State transmission

STATEMENT OF REASONS

The Central Electricity Regulatory Commission (Open Access in inter-State Transmission) Regulations, 2004, (the regulations), provide the detailed procedure on various aspects of open access in inter-State transmission system. The Commission had proposed to insert clause (v) at the end of Regulation 14 of the regulations for guidance of the Regional Load Despatch Centres to provide for use of any surplus transmission capacity available after catering to the requirements of long-term and short-term customers. It was proposed that any surplus transmission capacity available after 3.00 P.M. on a day may be released for use by the Regional Load Despatch Centres in accordance with the specified procedure. The Commission had published the draft proposal on 19.10.2006 and invited suggestions from the stakeholders before carrying out the amendment proposed. The suggestions have been received from Lanco Electric Utility Limited, JSW Power Trading Company Limited and Punjab State Electricity Board.

Lanco Electric Utility Limited

2. It has stated that schedules from buyers and sellers are received as late as 1530/1600 hrs by the electricity trader. So it is difficult to achieve schedule finalization by 1500 hrs. It has further stated that during the period of deficit, availability of power from different sources is arranged and all these activities are possible by 2000 hrs and in the event of outage of generation, seller revives export of power immediately but buyers do not take chance in scheduling power from such units and, therefore, deadline of 3.00 PM proposed in the draft would render such power unutilized.

3. It is found that Lanco Electric Utility Ltd agrees with the proposal for utilisation of the spare transmission capacity. But in its view, the time limit of 3.00 PM cannot be followed because schedules from buyers/sellers are received late. We do not find this reason to be very convincing. We are of the opinion that after the proposed amendment is notified, buyers and sellers would start sending schedules to the concerned Regional Load Dispatch Centre in accordance with clause 6.5.4 of the Indian Electricity Grid Code.

JSW Power Trading Company Limited

4. It has stated that in case short-term customer does not give full schedule and the transmission capacity remains under-utilized, say less than 80% of the reserved capacity over-rolling 7 days period then only the unutilized capacity should be released. It has further proposed that information on availability of such transmission capacity should be available on the websites of the Regional Load Dispatch Centres soon after finalization of schedule at 5.00 PM. Further, to restrain any short-term customer who surrenders transmission capacity from putting another application for

open access immediately, such application should not be accepted for at least for one hour.

5. We do not find any merit in the suggestion of JSWPTC Ltd because it is against the basic purpose of the amendment proposed, that is, to utilize the available unreserved transmission capacity to the maximum possible extent and action after 7 days will defeat the very purpose of the proposed amendment. Further, the schedules finalised by the Regional Load Despatch Centres are in any case available on their websites.

Punjab State Electricity Board

6. It has suggested the following procedure in case of inability of exporting utility to supply contracted power, namely:

- (a) By 3.00 PM the exporter/generator should inform the purchaser of reduction in schedule.
- (b) By 7.00 PM the importer should arrange alternative power source supply to utilize the corridor.
- (c) In case the importer succeeds, the corridor may be utilized for supply of power from the alternate source.
- (d) In case the importer is unable to find the alternative power by 7.00 PM the corridor should be deemed to have been surrendered and may be utilized by any other utility.

7. It has been further stated that in case the short-term customer surrenders the corridor by 3.00 PM, same could be utilized by any other utility. The same principle applies to same day transactions. Finally, it has been stated that instead of 3.00 PM deadline, it should be 5.00 PM.

8. PSEB has suggested a schedule which should be followed in case of inability of exporting utility to supply contracted power. As per PSEB's suggested procedure, the Regional Load Despatch Centres will have to wait till 7 PM. The proposal is not in line with the proposal for optimal utilization of the available excess transmission capacity and, therefore, cannot be accepted.

9. We do not find any substance in any of the suggestions received in response to the draft amendments. We, therefore, direct that after clause (iv) of Regulation 14 of the regulations, the following shall be inserted, namely,

“(v) Any transmission capacity available after catering to the requirements of long-term and short-term customers, as advised by the eligible entities by 3:00 P.M. of the day preceding the day for which schedules are being prepared, may be released for use in accordance with sub-clause (c) of clause (ii) or sub-clause (b) of clause (iii), as the case may be, of Regulation 22 of these regulations.”

Sd/-
(A.H. JUNG)
MEMBER

Sd/-
(BHANU BHUSHAN)
MEMBER

Sd/-
(ASHOK BASU)
CHAIRPERSON

New Delhi dated the 7th December, 2006