

**CENTRAL ELECTRICITY REGULATORY COMMISSION  
NEW DELHI**

**NOTIFICATION (DRAFT)**

No.-L-1/(3)/2009-CERC

Dated the                      2009

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

**CHAPTER 1  
PRELIMINARY**

**Short Title, Commencement and Application**

1. (1) These regulations may be called the Central Electricity Regulatory Commission (Grant of Connectivity, Long-term Access and Medium-term Access to the inter-State Transmission and related matters) Regulations, 2009.
- (2) These regulations shall commence on and from the date to be separately notified by the Commission after the detailed procedure has been published by the Central Transmission Utility.

**Definitions**

2. (1) In these regulations, unless the context otherwise requires:
  - (a) "Act" means the Electricity Act, 2003 (36 of 2003);
  - (b) "Commission" means the Central Electricity Regulatory Commission referred to in Section 76 of the Act;
  - (c) "day" means the day starting at 00.00 hours and ending at 24.00 hours;

(d) “detailed procedure” means the procedure issued by the Central Transmission Utility under regulation 8;

(e) “Grid Code” means the Grid Code specified by the Commission under Clause (h) of sub-section (1) of Section 79 of the Act;

(f) ‘interface meters’ means interface meters installed under the Central Electricity Authority (Installation and Operation of Meters) Regulations, 2006, specified by the Central Electricity Authority from time to time;

(g) “long-term access” means the use of the inter-State transmission system for a period exceeding 12 years but not exceeding 25 years;

(h) “long-term customer” means a person granted long-term access and includes the person allocated electricity from a generating station maintained and operated by the generating company owned or controlled by the Central Government;

(i) “medium-term access” means the use of the inter-State transmission system for a period exceeding 3 months but not exceeding 3 years;

(j) “medium-term customer” means a person granted medium-term access;

(k) “month” means a calendar month as per the British calendar;

(l) “nodal agency” means the nodal agency defined in regulation 6 of these regulations;

(m) “regional entity” means a person whose metering and energy accounting is done at the regional level;

(n) “State Commission” means the State Electricity Regulatory Commission constituted under Section 82 of the Act and includes the Joint Commission constituted under Section 83 thereof;

(o) “State network” means network owned by the State Transmission Utility, distribution licensee or any other person granted licence by the State Commission to construct, operate and maintain the transmission system within the State;

(p) “time-block” means 15 minutes time period specified in the Grid Code for the purposes of scheduling and despatch.

(2) Words and expressions used in these regulations and not defined herein but defined in the Act or the Grid Code shall have the meanings assigned to them under the Act or the Grid Code, as the case may be.

## **CHAPTER 2 GENERAL PROVISIONS**

### **Scope**

3. These regulations shall apply for grant of connectivity and long-term and medium-term access to the inter-State transmission system.

**Criteria for long-term and medium-term access**

4. (1) Long-term access shall be awarded only after planning necessary augmentation in the inter-State transmission system in accordance with the transmission planning criterion specified in the Grid Code.

(2) Medium-term access shall be granted if the resultant power flow can be accommodated in the existing transmission system or the transmission system under execution in accordance with the planning criterion specified in the Grid Code:

Provided that augmentation in the transmission system shall not be necessary for granting medium-term access:

Provided further that construction of dedicated transmission line shall not be construed as augmentation of the transmission system for the purpose of this clause.

**Nodal Agency**

5. The nodal agency for grant of connectivity, medium-term access and long-term access to the inter-State transmission system shall be the Central Transmission Utility.

**Detailed Procedure**

6. Subject to provisions of these regulations, the Central Transmission Utility shall, submit the detailed procedure to the Commission for approval within 45 days of publication of these regulations on the matters, not specified in these regulations which in its opinion are considered relevant and necessary:

Provided that the detailed procedure shall necessarily

(i) include the draft model agreement, to be entered into with transmission licensee undertaking construction, operation and maintenance of the transmission assets for the long-term use,

(ii) cover aspects such as but not limited to payment security mechanism and bank guarantee during the period of construction and operation:

(iii) suitably provide for back-to-back agreements between the agency designated for collection and disbursement of the transmission charges for inter-State transmission system, the transmission licensees on one hand and the long-term customers on other hand, and

(iv) the minimum time period required for construction of the transmission elements in identified areas, depending on geographical features such as terrain, environmental sensitivity and any other feature, after signing of agreements.

**Application for connectivity, long-term access and medium-term access**

7. The application for grant of connectivity or long-term access or medium-term access shall be made to the nodal agency;

**Application fee**

8. The application shall be accompanied by a non-refundable application fee specified hereunder, payable in the name and in the manner to be laid down by the Central Transmission Utility in the detailed procedure, namely –

S.No.	Quantum of Power to be injected into ISTS	Application fee (Rs. In lakh)		
		For Connectivity	Medium-term access	Long-term access
1	Up to 500 MW	2	3	4
2	501 MW to 1000 MW	4	6	8
3	More than 1000 MW	6	9	12

### **Timeframe for disposal of application**

9. The application shall be disposed of by the nodal agency within the time limits specified hereunder, namely –

<b>Nature of Application</b>	<b>Time limit for processing</b>
Connectivity	60 days
Medium-term access	
(a) up to 1 year	15 days
(b) more than 1 year	30 days
Long-term access	120 days

### **Relative priority**

10. (i) The application for the long-term access shall have higher priority than that for the medium-term access.

(ii) The application for the long-term access or the medium-term access shall, as far as possible, be processed on first-come-first-served basis.

Provided that while planning transmission system to accommodate an application for the long-term access, the nodal agency may simultaneously process other pending applications, if, in its opinion, this is likely to result in formulation of an economical and optimal transmission plan.

### **Interface Meters**

11. (1) Interface meters shall be installed by the Central Transmission Utility for and at the cost of the regional entities and by the State Transmission Utility for and at the cost of the State entities.

(2) Interface meters for the regional entities shall be open for inspection by any person authorized by the Central Transmission Utility or the Regional Load Despatch Centre, as the case may be.

## **CHAPTER 3 CONNECTIVITY**

### **Grant of Connectivity**

12. (1) The application for connectivity by a generating station shall contain details such as location of the generating station, entity or entities to whom electricity is proposed to be supplied, along with quantum of electricity to be supplied to each entity and any other details as may be laid down by the Central Transmission Utility in the detailed procedure;

Provided that if the person to whom electricity is to be supplied, the quantum of power have not been firmed up at the time of making application for grant of connectivity, the generating company shall indicate at the quantum of electricity proposed to be injected into the inter-State transmission system and the regions in which electricity is to be supplied:

Provided further that for any change in location of the generating station or deviation by more than 10% in quantum of electricity to be injected into inter-State transmission system, the generating company shall make a fresh application, which shall be considered in accordance with these regulations.

(2). While granting connectivity, the nodal agency shall firm up the sub-station at which the dedicated transmission line emanating from the generating station shall get connected, indicating the broad design features of the dedicated transmission line and the timeframe for completion of the dedicated transmission line.

(3). The generating company shall sign connection agreement with the licensee owning the sub-station identified by the nodal agency..

(4). Subject to provisions of the Act, the generating company granted connectivity shall execute or get executed the dedicated transmission line through any other agency.

#### **CHAPTER 4 LONG-TERM ACCESS**

##### **Application for long-term access**

13. (1) The application for grant of long-term access shall contain details such as name of the entity or entities to whom electricity is proposed to be supplied along with quantum of power and any other details laid down under the detailed procedure.

Provided that if the person to whom electricity is to be supplied, the quantum of power have not been firmed up at the time of making application for grant of connectivity, the generating company shall indicate the quantum of electricity proposed to be injected into the inter-State transmission system and the regions in which electricity is to be supplied:

Provided further that for any change in location of the generating station or deviation by more than 10% in quantum of electricity to be injected into inter-State



transmission system, a fresh application shall be made, which shall be considered in accordance with these regulations.

(2) The applicant shall submit any other information sought by the nodal agency including realistic assessment of power to be injected in the inter-State transmission system and power to be transmitted to various entities or regions to enable the nodal agency to plan the transmission system in a holistic manner.

(3) The application shall be accompanied by a bank guarantee of Rs 1 (one) lakh per MW of total power to be transmitted in favour of the nodal agency, in the manner laid down under the detailed procedure:

(4) The bank guarantee may be encashed by the nodal agency, if the application is withdrawn or is not responded to with the nodal agency on account of failure to follow the time limits for various purposes laid down in the detailed procedure.

#### **System Studies by the Nodal Agency**

14. (1) On receipt of the application, the nodal agency shall, in consultation and through coordination with other agencies involved in inter-State transmission system to be used, including State Transmission Utility, if the State network is likely to be used, process the application and carry out the necessary system studies as expeditiously as possible so as to ensure that the decision to grant or refuse long-term access is arrived at within the timeframe specified in the regulation 9;

Provided that in case the nodal agency faces any difficulty in the process of consultation or coordination, it may approach the Commission for appropriate directions:

(2) Based on the system studies, the nodal agency shall firm up the required transmission system based on the planning criterion stipulated in the Grid Code.

(3) The nodal agency shall identify the agency to construct one or more elements needed for augmentation of the inter-State transmission system for long-term open access:

Provided that the agency identified to construct one or more elements needed for augmentation of the inter-State transmission system for long-term open access other than the Central Transmission Utility, or the State Transmission Utility or the Government company, shall be eligible for grant of transmission licence in accordance with the regulations specified by the Commission from time to time and the guidelines for competitive bidding for transmission issued by the Central Government.

**Communication of Estimate of Transmission Charges, etc.**

15. While granting long-term access, the nodal agency shall communicate to the person concerned the date from which long-term access shall be granted and an estimate of the transmission charges likely to be payable based on the prevailing costs, prices and methodology of sharing of transmission charges specified by the Commission, which shall be subject to approval of the Commission.

### **Execution of Agreement**

16. The generating company or the persons to whom power is to be supplied shall sign agreement with the transmission licensee constructing the identified elements of the required transmission system:

Provided that if an agency is designated for collection and disbursement of transmission charges, the agreements shall be suitably provide for back-to-back agreements between transmission licensee on one hand and long-term customers on other hand with such agency.

### **Renewal of Term for Long-term access**

17. On the expiry of period of the long-term access, the long-term customer shall not be entitled to any overriding preference for renewal of the term:

### **Exit option for long-term customers**

18. The Commission may allow the long-term customer, subject to his payment of compensation for stranded transmission capacity in a manner to be decided in accordance with regulation 17 –

(i) to relinquish his rights and obligations fully or partly before expiry of full term, or

(ii) to transfer his rights and obligations fully or partly to any other person before expiry of full term, by signing a supplementary agreement with the transmission licensee and the person to whom rights are proposed to be transferred and also the agency, if any, designated for collection of the transmission charges.

**Compensation for stranded transmission capacity**

19. The compensation for stranded transmission capacity shall be determined by the Commission based on present value of the stream of the transmission charges for the balance term, based on the prevailing methodology for sharing of transmission charges specified by the Commission, corresponding to the transmission capacity likely to remain unutilized.

**CHAPTER 5  
MEDIUM-TERM ACCESS**

**Application for Medium-term Access**

20. The application for grant of medium-term access shall contain such details as may be laid down under the detailed procedure for the period not less than 3 months but not exceeding three years:

**System Studies by the Nodal Agency**

21. (1) On receipt of the application, the nodal agency shall, in consultation and through coordination with other agencies involved in inter-State transmission system to be used, including State Transmission Utility, if the State network is likely to be used, process the application and carry out the necessary system studies as expeditiously as possible so as to ensure that the decision to grant or refuse medium-term access is arrived at within the timeframe specified in the regulation 9;

Provided that while processing application for medium-term access, the nodal agency shall always consult the Regional Load Despatch Centre concerned, in case

of use of regional system and the National Load Despatch Centre, in case of use of the inter-regional system.

Provided further that in case the nodal agency faces any difficulty in the process of consultation or coordination, it may approach the Commission for appropriate directions:

### **Grant of Medium-term Access**

22. On being satisfied that the requirements specified under clause (2) of regulation 4 are met, the nodal agency shall grant medium-term access for the period stated in the application:

Provided that the nodal agency may grant medium-term access for a period less than that sought by the applicant.

### **Execution of Dedicated Transmission Line**

23. Medium-term customer may arrange execution of the dedicated transmission line at its own risk and cost before the start date of the medium-term access.

### **Renewal of Term of Medium-term Access**

24. On the expiry of period of the medium-term access, the medium-term customer shall not be entitled to any overriding preference for renewal of the term:

### **Exit option for medium-term customers**

25. A medium-term customer may relinquish his rights and obligations by giving at least 30 days prior notice to the nodal agency:

Provided that the medium-term customer relinquishing his rights and obligations shall pay applicable transmission charges for the period of notice.

## **CHAPTER 6 CONDITIONS OF LONG-TERM AND MEDIUM-TERM ACCESS**

### **Curtailment**

26. (1) When for the reason of transmission constraints or in the interest of grid security, it becomes necessary to curtail power flow on a transmission corridor, the transactions already scheduled may be curtailed by the Regional Load Despatch Centre.

(2) Subject to provisions of the Grid Code and any other regulation specified by the Commission, the medium-term customers shall be curtailed first followed by the long-term customers and amongst the customers of a particular category, curtailment shall be carried out on *pro rata* basis.

### **Transmission Charges**

26. The transmission charges for use of the inter-State transmission system shall be recovered from the long-term customers and the medium-term customers in accordance with terms and conditions of tariff specified by the Commission from time to time:

Provided that if State network is also being used in the access as a part of inter-State transmission system, recovery of charges for the State network shall be as specified by the State Commission concerned.

**Fees and charges for the Regional Load Despatch Centre and the State Load Despatch Centre**

27. (i) The fees and charges for the Regional Load Despatch Centre including charges for the Unified Load Despatch and Communication Scheme shall be payable by the long-term customer and medium-term customer in accordance with the regulations of the Commission.

(ii) The fees and charges for the State Load Despatch Centre, if applicable, shall be payable as specified by the State Commission concerned.

**Payment of transmission charges and Fees and Charges for the Regional Load Despatch Centre**

28. (1) The transmission charges in respect of the long-term customer and medium-term customer shall be payable directly to the transmission licensee:

Provided that if an agency is designated for the purpose of collecting and disbursing the transmission charges for inter-State transmission system, the transmission charges shall be paid to the agency so designated.

(2) The fees and charges for Regional Load Despatch Centres (including the charges for Unified Load Despatch Scheme) and State Load Despatch Centres shall be payable by the long-term customer and medium-term customer directly to the Regional Load Despatch Centre or the State Load Despatch Centre concerned..

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

29. (1) Scheduling of all transactions pursuant to grant of long-term access and medium-term access shall be carried out on day-ahead basis in accordance with the Grid Code.

(2) Based on net metering on the periphery of each regional entity, composite accounts for Unscheduled Interchanges shall be issued for each regional entity on a weekly cycle and transaction-wise Unscheduled Interchanges accounting:

Provided that Unscheduled Inter-changes accounting for intra-State entities shall not be carried out at the regional level.

(3) The State utility designated for the purpose of collection or disbursement of the Unscheduled Interchanges charges from or to the State entities shall be responsible for timely payment of the State's composite dues to the regional Unscheduled Interchanges Pool Account.

(4) Any mismatch between the scheduled and the actual drawal at drawal points and scheduled and the actual injection at injection points for the intra-State entities shall be determined by the concerned State Load Despatch Centre and covered in the intra-State Unscheduled Interchanges accounting scheme.

(5) Unless specified otherwise by the State Commission concerned, the Unscheduled Interchanges rate for intra-State entity shall be 105% (for over-drawals



or under generation) and 95% (for under-drawals or over generation) of the Unscheduled Interchanges rate at the periphery of regional entity.

### **Transmission Losses**

31. (1) The buyers and the sellers of electricity shall absorb apportioned losses in the transmission system as estimated by the Regional Load Despatch Centre and the State Load Despatch Centre concerned.

(2) The transmission losses shall be accounted for by providing a differential between schedules at the points of supply, inter-utility transfer and drawal of electricity.

### **Compliance of Grid Code**

32. The buyers and the sellers of electricity shall comply with the provisions of the Grid Code in force from time to time.

### **Redressal Mechanism**

33. All disputes arising out of or under these regulations shall be decided by the Commission on an application made in this behalf by the person aggrieved.

## **CHAPTER 7 INFORMATION SYSTEM**

### **Information System**

34. The nodal agency shall post the following information on its website in a separate web-page titled "Long-term and Medium-term access information":

- (a) These regulations;
- (b) Detailed procedure;

- (c) List of applications for medium-term and long-term access received by the nodal agency along with necessary details.
- (d) Separate lists for medium-term and long-term access granted, indicating-
  - (i) Name of customers;
  - (ii) Period of the access granted (start date and end date);
  - (iii) Point or points of injection;
  - (iv) Point or points of drawal;
  - (v) Transmission systems used (in terms of regions and States);
  - (vi) Contracted Power (MW).

## **CHAPTER 8 MISCELLANEOUS**

### **Savings and Repeal**

35. (1) On commencement of these regulations the provisions relating to long-term customers contained in the Central Electricity Regulatory Commission (Open Access in inter-State Transmission) Regulations, 2004, earlier saved under the Central Electricity Regulatory Commission (Open Access in inter-State Transmission) Regulations, 2008 shall stand repealed.

(2) Notwithstanding anything contained in clause (1), long-term access granted in accordance with the Central Electricity Regulatory Commission (Open Access in inter-State Transmission) Regulations, 2004 shall continue to be valid till the expiry of the term sanction under those regulations.

(Alok Kumar)  
Secretary