

**HIMACHAL PRADESH ELECTRICITY REGULATORY COMMISSION, SHIMLA**

**CORAM**  
**Sh. Devendra Kumar Sharma**  
**Chairman**  
**Sh. Bhanu Pratap Singh**  
**Member**  
**Sh. Yashwant Singh Chogal**  
**Member**

**(Decided on 11<sup>th</sup> August, 2021)**

**In the matter of**

**Himachal Pradesh Electricity Regulatory Commission (Grant of Connectivity, Long-term and Medium-term intra-State Open Access and Related Matters)(Second Amendment) Regulations, 2021.**

**ORDER**

The Himachal Pradesh Electricity Regulatory Commission (hereinafter referred as “the Commission”) published the Himachal Pradesh Electricity Regulatory Commission (Grant of Connectivity, Long-term and Medium-term intra-State Open Access and Related Matters) Regulations, 2010 in the Rajpatra, Himachal Pradesh on 3<sup>rd</sup> June, 2010, which were amended on 7<sup>th</sup> December, 2012, through its first amendment regulations published in Rajpatra, Himachal Pradesh on 10<sup>th</sup> December, 2012 (hereinafter jointly referred to as “the said regulations”).

2. The Central Electricity Regulatory Commission (CERC) has carried out amendments, in certain provisions of its principal regulations i.e. 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, from time to time.
3. In order to align the said regulations with CERC regulations and also with the Himachal Pradesh Electricity Regulatory Commission (Deviation Settlement Mechanism and Related Matters) Regulations, 2018, the Commission made the

draft amendment regulations for amendment of some of the provisions of the said regulations and, in accordance with the rule 3 of the Electricity (Procedure for Previous Publication) Rules, 2005, invited public objections and suggestions on the said draft amendment regulations. This was done by way of publication in the Rajpatra, Himachal Pradesh, on 2<sup>nd</sup> June, 2021 and insertion of a public notice in two news papers i.e. “Hindustan Times” and “Dainik Bhasker” on 5<sup>th</sup> June, 2021. A copy of the public notice was also sent to the major stakeholders vide Commission’s letter dated 5<sup>th</sup> June, 2021. The full text of the draft regulations was also made available on the Commission’s website www.hperc.org. The last date for submission of suggestions/objections was fixed as 3<sup>rd</sup> July, 2021.

4. The Commission received suggestions/objections on the draft amendment regulations from the following stakeholders:-

- (i) The Himachal Pradesh Transmission Corporation Limited (HPPTCL), Shimla through its General Manager (C&D).
- (ii) The Himachal Pradesh State Electricity Board Limited (HPSEBL) through its Chief Engineer (Commercial).
- (iii) Himachal Pradesh State Load Despatch Centre (HPSLDC) through its Chief Engineer, stating that its suggestions/ objections, related to the present proposal, be considered as nil.

5. **Consideration of written submissions made by the stakeholders and Commission’s views.-**

The Commission now proceeds to consider the objections/suggestions received and to conclude its views on various related issues, as follows.-

5.1 **Amendment of regulation 2 of the said regulations.-**

**Comments:-**

- (i) The HPSEBL has submitted that :-
  - (a) in item (10), the use of symbol “/” may be avoided;
  - (b) in item (23A), the term “State Grid” has been defined, which is not as per the definition already provided in HP Electricity Grid Code and same needs to be aligned. It has also been suggested

that the use of general terms such as EHV/High Voltage may be avoided; and

- (c) in item “(20A)”, the term “Project Line” has been defined, however, the same is not defined in the CERC Regulations. The word “provided” may be substituted with the word “created” or “constructed”. It has also been suggested that the word “generating station” may be used in plural in consonance with regulation (8A).
- (ii) The HPPTCL has submitted that in item “(20A)”, the nomenclature of dedicated line has been changed to Project Line. They further submitted that for uniformity of Terminology of Project line, i.e. use of either Project line or Dedicated line may be decided by the Commission as per the Electricity Act, 2003 and accordingly, the nomenclature be amended in the existing Regulations 9(2), 12(2), 20(1) and 21.

**Commission’s Views :-**

- (i) **(a)** The Commission finds merit in suggestion of HPSEBL to avoid the use of symbol “/” and decides to substitute the symbol with the word “or”.
- (b) As far as the definition of the term “State Grid” is concerned, the Commission feels that the definition proposed in the draft regulations takes into account prevailing situations in a better way and accordingly decides to retain the proposed definition after indicating the voltage level i.e. 11 kV and above, for EHV/High Voltage distribution system. The definition given in the Himachal Pradesh Electricity Grid Code, 2009 may however be aligned with the same at the time of next amendment of said Code.

(i)(c) & (ii) The Commission, in order to avoid ambiguity in this regard, decides to omit the definition of “Project Line” as proposed in the draft amendment regulations.

## 5.2 **Amendment in regulation 5 of the said regulations.-**

### **Comments:-**

The HPSEBL has submitted that in the proposal the sub-regulations 5A(1), 5A(3) and 5A(5) have been wrongly placed as the requirement of applications to be made online should come under regulation 5 under the heading “Filing of Application” and the regulation 5 needs to be amended accordingly. Further, it has been submitted that the words like “auto generated” used in 5A(3) may be avoided as it would be specified by the Utility in its procedure. Further, it has also been submitted that all clauses in the draft amendment pertaining to “Filing of Application” should appear in the relevant section.

### **Commission’s Views:-**

The Commission finds merit in suggestion of HPSEBL to include sub-regulations (1) & (3) of regulation 5A under regulation 5, under the heading “Filing of Application”, and decides to amend regulation 5 accordingly. As regards the suggestion to avoid the word “auto generated”, the Commission feels that the purpose of making provision for online submission of applications may get defeated if the acknowledgement is not auto generated by the system. Accordingly, decides to retain the basic provision in this regard.

As regards the sub-regulation (5) of regulation 5A, the Commission feels that the same has been correctly placed as it relates to the treatment of revised application, received after rectification, by the applicant and decides to retain the provision as included in the proposal.

### 5.3 **Amendment in regulation 8 of the said regulations.-**

#### **Comments :-**

- (i) The HPSEBL has submitted that :-
  - (a) in sub-regulation (1B), it may be clearly specified that fresh application by the applicant shall be with fee or without fee as may be specified;
  - (b) in sub-regulation (3), the word “parties” be omitted or may be defined;
  - (c) the clauses (a) to (i) of sub-regulation (5) may be substituted by “Model HPERC Open Access Agreement” to be issued by the Commission. Further, the specific clauses of Agreement should not be made the part of the regulations.
  
- (ii) The HPPTCL has submitted that:-
  - (a) in clause (e) of sub-regulation (5), in addition to the timelines for submission of application for Open Access, the timelines for signing of Open Access Agreement after intimation of Grant of Open Access by Nodal Agency should also be incorporated. It has been submitted that the signing of Open Access Agreement is required to identify elements requiring augmentation and payment security for the newly created elements.
  - (b) in order to plan augmentation of Transmission system, the nodal agency has to ascertain the total amount of generation coming at a particular interconnection point in various timeframes in order to ascertain ATC (Available Transfer Capacity), identify elements requiring augmentation and payment security for the newly created elements.

In this background, it has been suggested to substitute the proposed proviso to sub-regulation (6) as below:-

*“Provided that the applicant shall not be required to obtain open access in case the applicant has already signed the Power Purchase Agreement with the distribution licensee of the State for sale of entire power at the interconnection point itself. In all such cases distribution licensee shall apply for TSA (Transmission Service Agreement) to the concerned Nodal Agency which shall not exceed by more than 3 months from the date of grant of connectivity as per*

*Regulation 8 sub-regulation 5(i). The distribution licensee shall sign TSA within 30 days of the date of approval of TSA.”*

- (c) in sub-regulation (8B) of regulation 8, the signing of Open Access Agreement is required to firm up the total injection/drawl projected in a given timeframe and firm up the capacity/ configuration of augmentation to be undertaken in given timeframe. The condition needs to be enforced so that only interested applicants are firmed up timely and any system strengthening required can be taken up. In this background, it has been suggested to modify the proposed sub-regulation as below :-

*“The open access customer who has been granted connectivity shall adhere to the time lines. Including the same for applying for open access, for completing various activities as stipulated while granting connectivity and/ or in the connection agreement signed by it **and/or signing of Open Access Agreement after grant of intimation by nodal agency** failing which the connection agreement shall stand terminated subject to specific provision, if any in the connection agreement. In such eventuality, the STU/distribution licensee as the case may be shall be at liberty to allot connectivity to any other applicant.”*

**Commission’s Views :-**

- (i) (a) The Commission feels that provision for fresh application by itself implies that the requisite fee shall have to be deposited afresh. However, in order to avoid any doubt in this regard, the Commission decides to modify sub-regulation (1B) accordingly to clarify that the fee has to be deposited afresh and the same deposited earlier shall not be refunded.
- (b) The Commission feels that the nodal agency needs to indicate the broad design features as well as the timeframe for completion of activities to be undertaken by the applicant, concerned licensee or any other person and decides to indicate suitably in sub-regulation (3) accordingly. The use of the term “parties” shall however be avoided.
- (c) As far as the suggestion of HPSEBL to substitute clauses (a) to (i) of sub-regulation (5) with “Model HPERC Open Access

Agreement” to be issued by the Commission, is concerned, the Commission observes that these clauses spell out only the broad provisions that need to be incorporated in the connection agreement. The format of open Access agreement forms a part of the detailed procedure. The concerned nodal agencies may however identify the changes required to be made in the prevalent detailed procedure and submit the proposal in accordance with the regulation 26.

- (ii) (a) The Commission agrees to the suggestion made by HPPTCL to incorporate the timelines for signing of Open Access Agreement but feels that it may be more appropriate to incorporate the same in regulations 14 and 20. Accordingly, the Commission decides to amend regulations 14 and 20.
- (b) As far as the suggestion of HPPTCL regarding timelines for signing of the Transmission Service Agreement (TSA) is concerned, the Commission feels the distribution licensee of the State may initiate the process of signing the TSA only after it has signed the Power Purchase Agreement (PPA) with the applicant for the sale of entire power at interconnection point. Accordingly, the Commission decides to make a provision in the final regulations to the effect that TSA shall be signed by the distribution licensee with STU and with any other licensee owning the interconnection point , within 3 months from the date of signing the PPA.
- (c) The Commission finds merit in the suggestion of HPPTCL and decides to modify the relevant regulations suitably.

No comments have been received on any other provisions of the draft amendment regulations, and accordingly the Commission decides to retain the same, with minor modifications, in the final regulations.

The Commission, after concluding its views on the objections and suggestions received on the draft regulations, decides to finalize and notify the Himachal Pradesh Electricity Regulatory Commission (Grant of Connectivity, Long-term and Medium-term intra-State Open Access and Related Matters)(Second Amendment) Regulations, 2021 by incorporating the changes on above lines as may be considered necessary.

**Sd/-**

(Yashwant Singh Chogal)

**Member**

**Sd/-**

(Bhanu Pratap Singh)

**Member**

**Sd/-**

(Devendra Kumar Sharma)

**Chairman**