

**HIMACHAL PRADESH ELECTRICITY REGULATORY COMMISSION, SHIMLA**

**Notification**

**Shimla, the 6<sup>th</sup> May, 2021**

**HPERC/418.- WHEREAS** the Himachal Pradesh Electricity Regulatory Commission notified the Himachal Pradesh Electricity Regulatory Commission (Grant of Connectivity, Long-term and Medium-term- Intra State Open Access and related Matters) Regulations, 2010 on 2<sup>nd</sup> June, 2010, as published in the Rajpatra, Himachal Pradesh on 3<sup>rd</sup> June, 2010, and the first amendment thereof on 7<sup>th</sup> December, 2012, as published in Rajpatra, Himachal Pradesh on 10<sup>th</sup> December, 2012, (hereinafter jointly referred to as “the said regulations”) ;

**AND WHEREAS** the Central Electricity Regulatory Commission (CERC) has carried out amendments in certain provisions in its principal regulations i.e. Central Electricity Regulatory Commission (Grant of Connectivity, Long Term Access and Medium–Term Open Access in inter-State Transmission and related Matters) Regulations, 2009;

**AND WHEREAS** 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 proposes to amend the said regulations ; and

**NOW, THEREFORE**, in exercise of the powers conferred by sub-section (1) and clause (zp) of sub-section (2) of Section 181, of the Electricity Act, 2003 (36 of 2003), read with section 21 of the General Clauses Act, 1897 (10 of 1897), and all other powers enabling it in this behalf, the Commission proposes the draft Himachal Pradesh Electricity Regulatory Commission (Grant of Connectivity, Long-term and Medium-term- Intra State Open Access and related Matters)(Second Amendment) Regulations, 2021 and as required by sub-section (3) of section 181 of the said Act and rule 3 of the Electricity (Procedure for Previous Publication) Rules, 2005, the draft regulations are hereby published for the information of all the persons likely to be affected thereby; and notice is hereby given that the said draft regulations will be taken into consideration after the expiry of thirty (30) days from the date of publication of this notification in the

Rajpatra, Himachal Pradesh, together with any objections or suggestions which may within the aforesaid period be received in respect thereto.

The text of the aforesaid draft regulations is also available on the website of the Commission i.e. <http://www.hperc.org> as well as on Rajpatra, Himachal Pradesh . The objections or suggestions in this behalf should be addressed to the Secretary, Himachal Pradesh Electricity Regulatory Commission, Vidyut Aayog Bhawan, Block-37, SDA Complex, Kasumpti-171009(HP).

### **DRAFT REGULATIONS**

- 1. Short title and commencement.-** (1) These regulations may be called the Himachal Pradesh Electricity Regulatory Commission (Grant of Connectivity, Long-Term Intra-State Open Access and Related Matters ) (Second Amendment) Regulations, 2021;
- (2) These regulations shall come into force from the date of their publication in the Rajpatra, Himachal Pradesh.

**2. In regulation 2 of the said regulations.-**

- (i) in item (5) containing the definition of “connectivity” , the word ‘bulk’ shall be omitted ;
- (ii) in item (10) containing the definition of “intra-State entity”, the following definition shall be substituted, namely :-  
“(10) intra-state entity / state entity” means such a person who is in the SLDC control area and whose metering and energy accounting is done at the State level and as defined and described in the Himachal Pradesh Electricity Regulatory Commission (Deviation Settlement Mechanism and related Matters ) Regulations, 2018.” ;
- (iii) in item (13) containing the definition of “medium-term open access” , for the word and figure ‘3 years’, the words and figure ‘5 years’ shall be substituted;
- (iv) after item (20), the following new item (20A) “project line” shall be inserted, namely :-  
“(20A) “project line” means the evacuation infrastructure from the generating station to the interconnecting sub-station of the licensee, to be provided, operated and maintained as a part of the project by

the energy generator(s) for the purpose of evacuation of power from the project.” ;

- (v) after item (23), the following new item (23A) “state grid” shall be inserted, namely :-

“(23A) “state grid” means the Intra-State Transmission System/ network owned by the State Transmission Utility (STU)/transmission licensee(s) and/or the EHV/High Voltage Distribution System/ network owned by the distribution licensee(s) within the State.” ; and

- (vi) in item (26) containing the definition of “time block”, the word and figure ‘15 minutes’ shall be omitted ;

### **3. In regulation 5 of the said regulations.-**

after regulation 5, the following new regulation “5A” shall be inserted, namely :-

#### **“5A. Processing of Applications.-**

(1) All Applications shall be made online in accordance with detailed Procedure;

(2) The applications complete in all respects, received online shall have a date and time stamp. Further, such applications received by 24:00 hrs. of the last day of the month shall be deemed to have been received during the month and shall be processed after the end of the month.

(3) Upon submission of the online application, auto-generated acknowledgement for receipt of application shall be issued by the nodal agency.

(4) After scrutiny, nodal agency shall intimate the deficiencies in the application, if any, to the applicant within fifteen days of receipt of application. The applicant shall rectify the deficiency within one month thereafter, failing which the application shall be closed and 20% of the application fees shall be forfeited and balance shall be refunded and the Bank Guarantee, if any, shall be returned within 15 days of closure of the application.

(5) If the rectified application as per sub-regulation(4) above is received from the applicant after 24:00 hrs of the last day of the month in which application is made, application shall be deemed to

have been made in subsequent month and shall be processed accordingly.

**4. In regulation 6 of the said regulations, for the existing table, the following table shall be substituted, namely :-**

S.No	Quantum of power to be injected/off taken into/from State Grid	Application fee (Rs. in lakhs)		
		For connectivity	Medium-term open access	Long-term open access
1.	Upto 2 MW	1	1	1
2.	More than 2MW but upto 5 MW	2	2	2
3.	More than 5 MW but upto 10 MW	4	4	5
4.	More than 10 MW	6	6	8

**5. In regulation 8 of the said regulations.-**

**(I)** in sub-regulation (1) –

- (i) the word, “bulk” appearing in the para shall be omitted ;
- (ii) for the sign “:”, the sign “.” shall be substituted;
- (iii) the existing proviso shall be omitted ; and
- (iv) after sub-regulation(1), the following new sub-regulations “(1A) and (1B)” shall be inserted, namely :-

“(1A) The two or more generators may mutually agree to inject their power at common interconnection point in joint mode :

Provided that in order to optimize the use of Right of Way and/or space at the interconnection sub-station, the Nodal Agency may require two or more generators to inject their power at a common interconnection point in joint mode:

Provided further that in cases where the power from two or more generators is to be injected at the interconnection point through a joint project line, all such generating stations shall enter into an agreement for modalities concerning the construction, operation and maintenance of such joint project lines and shall make the application and

provide the copy of the agreement signed by them for the purpose alongwith the application of connectivity.”; and

(1B) Once an application has been filed and thereafter there has been any material change in the location of the applicant or change in the quantum of power to be interchanged –

- (i) in case of the intra-State transmission system is by more than 5 MW; or
- (ii) in case of the distribution system is by more than 1 MW; the applicant shall make a fresh application, which shall be considered in accordance with these regulations.” ;

**(II)** for sub-regulation (3), the following sub-regulation (3), shall be substituted, namely :-

“(3) While granting connectivity, the nodal agency shall identify the name of the sub-station where connectivity is to be granted. In case connectivity is to be granted by looping-in and looping-out of an existing or proposed line, the nodal agency shall identify the point of connection and name of the line at which connectivity is to be granted. The nodal agency, apart from stipulating the conditions to met by the applicant for availing the connectivity, shall also indicate the broad design features of the project line and the interconnection facilities and the timeframe for completion of the same as well as for the other related activities to be undertaken by the respective parties.”

**(III)** for sub-regulation (5), the following sub-regulation (5), shall be substituted, namely :-

“(5) The applicant or the intra-State transmission licensee or a distribution licensee, as the case may be, shall, within 30 days of the grant of connectivity, sign a connection agreement with the State Transmission Utility or the intra-State Transmission/distribution licensee owning the sub-station or the transmission/distribution line as identified by the nodal agency

where connectivity is being granted. Such agreement shall also incorporate the detailed provisions relating to, but not limited to, the following, namely-

- (a) The interconnection point where the power shall be injected/drawn.
- (b) Broad design features of the project line to be executed by the applicant and timelines for the completion of the same.
- (c) Timelines for depositing the estimated cost of the interconnection facilities by the applicant.
- (d) Completion of the interconnection facilities, after receipt of the estimated cost thereof, by the Licensee, owing the substation/line where the project line is to be connected.
- (e) The time period within which the applicant shall apply for Open Access to the concerned Nodal Agency which shall not exceed by more than 3 months from the date of grant of connectivity.
- (f) The works to be executed for grant of connectivity shall conform to the provisions of Central Electricity Authority (Technical Standards for Connectivity to the Grid) Regulations, 2007.
- (g) Consequences of delay in meeting the timelines by respective parties.
- (h) Conditions to be met by the applicant before actually availing the connectivity.
- (i) Situations in which the grant of connectivity shall be liable to be cancelled.

Provided that in case connectivity is granted to a generator at sub-station of STU/ Transmission Licensee and such generator has to sell power to the distribution licensee at the interconnection point itself, a tripartite agreement shall be signed among the Transmission Licensee owning the sub-station / line where the connection is to be provided, the applicant generating company and the distribution licensee:

Provided further that applicant or applicants in case of joint mode, failed to sign the agreement within 60 days from the grant of connectivity by the Nodal Agency, may cancel connectivity granted to them after giving a notice of 30 days.

**(IV)** for sub-regulation (6), the following sub-regulation (6), shall be substituted, namely :-

“(6) The grant of connectivity shall not entitle an applicant to interchange any power with the grid unless it obtains long-term open access or medium-term open access or short-term open access and also meets various conditions for availing the connectivity as per the connection agreement :

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.”

**(V)** for existing sub-regulation (7), the following sub-regulation (7) shall be substituted, namely:-

“(7) Notwithstanding anything contained in sub-regulation (6) of this Regulation and any provision with regard to sale of infirm power in the Power Purchase Agreement signed by it, a generation project which has been granted connectivity and has signed the connection agreement and also establishes the compliance of various conditions stated in the connection agreement, shall be allowed to inter-change infirm power with the State Grid during the commissioning period, including testing and full load testing before the COD, after obtaining prior permission of the SLDC for the periods mentioned as under:-

- (i) drawal of Start-up power shall not exceed 6 months prior to the expected date of first synchronization and 6 months after the date of first synchronization; and

- (ii) injection of infirm power shall not exceed six months from the date of first synchronization:

Provided that drawl of Start-up power shall be subject to payment of transmission / wheeling charges to transmission licensee / distribution licensee as the case may be, and the generator shall have to open a Revolving and Irrevocable Letter of Credit issued by a Scheduled Bank equivalent to 2 months transmission / wheeling charges prior to drawl of Start-up power;

Provided further that the Start-up power shall not be used by the generating station for the construction activities:

Provided further that SLDC shall stop the drawl of the Start-up Power in the following events:-

- (a) in case, it is established that the Start-up power has been used by the Generating Station for construction activity; and
- (b) in case of default by the Generating Station in making payment of monthly transmission / Wheeling charges to the transmission licensee/distribution licensee as the case may be for the drawl of Start-up power, on the request of the transmission licensee / distribution licensee :

Provided that the Commission may in exceptional circumstances, allow extension of the period for inter-change of power beyond the period as prescribed in this sub-regulation on an application made by the generating station at least two months in advance of completion of the prescribed period:

Provided further that the SLDC while granting such permission shall keep the grid security in view:

Provided further that the onus of providing the interchange of infirm power from the unit(s) of the generating station for the purpose of commissioning activities, testing and commissioning, shall lie with the generating company and the SLDC which shall seek such information on each occasion of interchange of power before COD. For this, the generating station shall provide SLDC sufficient details of the specific commissioning



activity, testing and full load testing, its duration and intended period of interchange etc:

Provided further that the infirm power so interchanged by the unit(s) of the generating plant shall, notwithstanding anything contained in the PPA executed by the generator, shall be treated as deviation and the generator, shall be accounted and paid/charged in accordance with the provisions of the Himachal Pradesh Electricity Regulatory Commission (Deviation Settlement Mechanism and related matters) Regulations, 2018.”

**(VI)** for existing sub-regulation (8), the following sub-regulations (8), (8A) and 8(B) shall be substituted, namely :-

“(8) The project line from generating station of the applicant generating Company to the interconnection station of the transmission licensee/ distribution licensee shall be developed, owned and operated by the applicant generating Company. The specifications of such lines may be indicated by STU / distribution licensee while granting Connectivity or Long term Access or Medium term Open Access:

**(8A) Transfer of Connectivity and LTA.-** A person shall not transfer, assign or pledge, either in full or parts, its connectivity or open access and the associated rights and obligations to any other person.

(8B) 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 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.

**6. In regulation 9 of the said regulations.-**

- (i) in sub-regulation (1), for the word “awarding”, the word “granting” shall be substituted; and
- (ii) in sub-regulation (2), for sign “:” appearing at the end of the para, the words, figure and sign “expected to be commissioned within next six months as per the status reported to CEA/ State Government/ Nodal Agency/Distribution licensee as the case may be:" shall be inserted.

**7. In regulation 15 of the said regulations.-**

- (i) the words “Terms and Conditions for”, appearing in the para shall be omitted; and
- (ii) after this regulation, the following new regulations “15A” and “15B” shall be added, namely :-

“15A. On receiving the intimation regarding termination of Power Purchase Agreement, or surrender of long term access in accordance with the provisions of regulation 17 of these regulations and after considering the applications for long-term access and medium-term open access, if any, as mentioned therein, the nodal agency shall inform SLDC to consider the remaining capacity for processing the request for short term open access in accordance with the Himachal Pradesh Electricity Regulatory Commission (Short Term Open Access) Regulations, 2010, till long term access or medium term open access is granted to some other applicant.

**15B. Underutilisation of Long term Access and Medium term Open Access.-** In case it is observed by SLDC that the LTA or MTOA customer’s request for scheduling is consistently (for more than 5 days) lower than the quantum of LTA or MTOA granted by the Nodal Agency, SLDC may issue a notice to such LTA or MTOA customer asking the reasons for such under-utilization. The LTA or MTOA customer shall furnish the reasons for such under-

utilization and will provide such details like the reduced requirement, likely period, etc. by the following day. The unutilized transfer capability will then be released for scheduling of medium term and short-term open access transaction depending upon the period of such underutilization with a condition that such transaction shall be curtailed in the event original LTA or MTOA customer seeks to utilize its capacity:

Provided that where the capacity tied up under LTA is released under MTOA, the concerned generator shall not be liable to pay the LTA charges for such reallocated capacity.”

**8. In regulation 18 of the said regulations.-**

in sub-regulation (1), for the word and figure “1 year”, the word and figure “2 years” shall be substituted.

**9. In regulation 27 of the said regulations.-**

- (I) in sub-regulation (1), for the words and sign “unscheduled interchange charges ”, the words “deviation charges” shall be substituted;
- (II) in sub-regulation (2), for the figure “2007”, the figure “2011”, shall be substituted; and
- (III) in sub-regulation (3) –
  - (i) for the words, brackets and sign “Unscheduled Inter-Changed (UI) Charges” appearing in main heading, the words “Deviation Charges” shall be substituted. ;
  - (ii) for item (b), the following shall be substituted, namely :-
    - “(b) Based on metering at various points including the periphery of respective entities and at the state periphery, composite accounts shall be prepared and issued by the State Load Despatch Centre for each state entity on a weekly basis in accordance with Himachal Pradesh Electricity Regulatory Commission (Deviation Settlement Mechanism and related Matters ) Regulations, 2018.”
  - (iii) for item (c ), the following shall be substituted, namely :-

- “(c) Any mismatch between the scheduled and the actual drawl at drawl points / scheduled and the actual injection at injection points for the state entities shall be determined by the State Load Despatch Centre and accounted for by SLDC in accordance with the Himachal Pradesh Electricity Regulatory Commission (Deviation Settlement Mechanism and related Matters ) Regulations, 2018.
- (iv) for item (d ), the following shall be substituted, namely :-
- “(d) The charges for deviations and other mismatches in scheduling pursuant to grant of open access shall be payable by the concerned state entities as per the provisions of the Himachal Pradesh Electricity Regulatory Commission (Deviation Settlement Mechanism and related Matters ) Regulations, 2018.”

**10. In regulation 28 of the said regulations.-**

- (I) in sub-regulation (1), for the words and sign “unscheduled interchange charges ”, the words “deviation charges” shall be substituted;
- (II) in sub-regulation (5) –
- (i) for the words, bracket and sign “Unscheduled Inter-Changed (UI) Charges” appearing in main heading, the words “Deviation Charges” shall be substituted ; and
- (ii) for item (b), the following shall be substituted, namely :-
- “(b) Based on metering at various points including the periphery of respective entities and at the state periphery, composite accounts shall be prepared and issued by the State Load Despatch Centre for each state entity on a weekly basis in accordance with Himachal Pradesh Electricity Regulatory Commission (Deviation Settlement Mechanism and related Matters) Regulations, 2018.”
- (iii) for item (c ), the following shall be substituted, namely :-

“(c) Any mismatch between the scheduled and the actual drawl at drawl points / scheduled and the actual injection at injection points for the state entities shall be determined by the State Load Despatch Centre and accounted for by SLDC in accordance with Himachal Pradesh Electricity Regulatory Commission (Deviation Settlement Mechanism and related Matters) Regulations, 2018 .

(iv) for item (d ), the following shall be substituted, namely :-

“(d) The charges for deviations and other mismatches in scheduling pursuant to grant of open access shall be payable by the concerned state entities as per the provisions of the Himachal Pradesh Electricity Regulatory Commission (Deviation Settlement Mechanism and related Matters ) Regulations, 2018.”

**By the order of Commission**

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**Secretary**