

No. 1431-MPERC/2005- In exercise of powers conferred by section 39 (2) (d), 40 (c), 42 (2, 3), 86 (1) (c) read with Section 181 (1) of the Electricity Act, 2003, the Madhya Pradesh Electricity Regulatory Commission hereby makes the following regulations.

MPERC (Terms and Conditions for Intra-State Open Access in Madhya Pradesh) Regulations, 2005.

1: SHORT TITLE, COMMENCEMENT AND EXTENT OF APPLICATION

- 1.1 These regulations shall be called the Madhya Pradesh Electricity Regulatory Commission (Terms and Conditions for Intra-State Open Access in Madhya Pradesh) Regulations, 2005.
- 1.2 These regulations shall come into force from the date of their publication in Official gazette.
- 1.3 These regulations shall apply within the geographical area of the State of Madhya Pradesh and shall apply to open access customers for use of intra-state transmission system and/or the distribution systems of licensees in the State, including such system when it is used in conjunction with inter-state transmission system.

2: DEFINITIONS

- 2.1 In these regulations, unless the context otherwise requires:

"Act" means the Electricity Act, 2003 (36 of 2003) and subsequent amendment thereof;

"Allotted transmission capacity" means the power contracted for transfer (in MW) between the specified point(s) of injection and point(s) of drawal allowed to a long-term customer on the intra-state transmission system under normal circumstances and the expression "allotment of transmission capacity" shall be construed accordingly;

"Allotted distribution capacity" means the power contracted for transfer (in MW) between the specified point(s) of injection and point(s) of drawal allowed to a long-term customer on the distribution system under normal circumstances and the expression "allotment of distribution capacity" shall be construed accordingly;

"Balancing and Settlement Code" means such code as may be specified by the Commission for the balancing of energy / demand accounts and settlement of differences between schedule and actual energy / demand among the users of the grid in State of M.P.

"Bulk Power Transmission Agreement" means an executed agreement that contains the terms and conditions under which a Open Access Customer is entitled to the access to an intra-state transmission system of a Transmission Licensee

"Bulk Power Wheeling Agreement" means an executed agreement that contains the terms and conditions under which a Open Access Customer is entitled to the access to Distribution system of a Distribution Licensee

"Commission" means the Madhya Pradesh Electricity Regulatory Commission;

"Day" means a day starting at 00.00 hours and ending at 24.00 hours;

"Indian Electricity Grid Code (IEGC)" means the Grid Code specified by the CERC under Clause (h) of sub-section (1) of Section 79 of the Act;

"Madhya Pradesh Electricity Grid Code (MPEGC)" means the State Grid Code specified by the Commission under Clause (h) of sub-section (1) of Section 86 of the Act;

"Month" means a calendar month as per the British calendar;

"Open Access Customer" means a person permitted under these regulations to receive supply of electricity from another person other than the 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;

"Point of injection" means a connection at which electricity is transferred to the electricity transmission network or the electricity distribution network (as the case requires);

"Point of drawl" means a connection at which electricity is transferred from the electricity transmission network or the electricity distribution network (as the case requires);

"Reserved transmission capacity" means the power transfer allowed (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.

"Reserved distribution capacity" means the power transfer allowed (in MW) between the specified point(s) of injection and point(s) of drawal allowed to a short-term customer on the distribution system depending on availability of distribution capacity and the expression "reservation of distribution capacity" shall be construed accordingly.

"SLDC" means the State Load Dispatch Centre established under sub-section (1) of section 31 of the electricity Act 2003, presently situated in Jabalpur, operating round the clock for the purpose of managing the operation of the transmission system and coordinating the state generation and load requirements;

"State" means the State of Madhya Pradesh.

"Working day" means a day on which the offices of SLDC / Licensees (as the case may be) are open for business.

2.2 All other expressions used herein although not specifically defined herein, but defined in the Act, shall have the meaning assigned to them in the Act. The other expressions used in herein but not specifically defined in these Regulations or in the Act but defined under any law passed by the parliament applicable to electricity industry in the state or stated in the tariff order shall have the meaning assigned to them in such law. Subject to the above the expression used herein but not specifically defined in these Regulations or in the Act or any law passed by the parliament shall have the meaning as is generally assigned in the electricity supply industry.

3: ELIGIBILITY FOR OPEN ACCESS AND CONDITIONS TO BE SATISFIED

3.1 Subject to the provisions of these regulations, open access customers shall be eligible for open access to the intra state transmission system of the State Transmission Utility (STU) or any other transmission licensee and intra state distribution system of the state distribution licensees or any other distribution licensee.

3.2 Such open access shall be available for use by an open access customer on payment of such charges as may be determined by the Commission in accordance with the regulations framed for the purpose.

3.3 Subject to operational constraints and other relevant factors, open access shall be allowed in the following phases:

i. For Non-Conventional Energy Sources:

The non-conventional energy generators and users shall be provided with open access with immediate effect and they shall be governed by the existing policy of State Government.

ii. For Captive Generating Plants of Conventional Energy:

Open access for the captive power plants shall be provided with immediate effect.

iii. For all other open access customers:

Open access to users other than at Sl._No. 3.3(i) and 3.3(ii) shall be provided as per the time table below:

Sr No	Phases	Customer with contracted power under open access for transmission and wheeling and at voltage	Date from which open access is to be granted
1	I	Users requiring 10 MW or above at voltage 132kV or above situated anywhere in State	From the date of coming into effect of these regulations
2	II	Users requiring 5MW or above at 33kV or above and situated in industrial growth centres notified by the State Government or having independent 33kV feeders from EHV substation.	From the date of coming into effect of these regulations
3	III	Users requiring 2MW and above at 33kV and above and situated in industrial growth centres notified by the State Government.	October 1, 2005
4	IV	Users requiring 5 MW and above and situated anywhere in the State	April 1, 2006
5	V	Users requiring 1MW and above and situated in industrial growth centres notified by the State Government.	October 1, 2006

Sr No	Phases	Customer with contracted power under open access for transmission and wheeling and at voltage	Date from which open access is to be granted
6	VI	Users requiring 2 MW and above and situated anywhere in the State	April 1, 2007
7	VII	Users requiring 1 MW and above and situated anywhere in the State	October 1, 2007

- 3.4 Based on the experience of commencement and operation of open access, the Commission may revise the schedule for allowing open access in subsequent phases.
- 3.5 The Commission may allow open access to customers / users requiring less than 1 MW at such time as it may consider feasible having regard to operational constraints and other factors.
- 3.6 Pursuant to coming into force of these regulations, the distribution licensees shall be required to make arrangements through contracts / agreements for access to the transmission licensee's network for meeting power requirements of their existing and future consumers. In such cases clause 3.3 of these regulations shall not be applicable.

4: PROVISIONS FOR EXISTING ENTITIES

Existing Distribution and Trading Licensees

- 4.1 The distribution licensees and trading licensees using intra state transmission system and the distribution system in the State on the date of coming into force of these regulations under an existing agreement or arrangement shall continue to avail open access on such transmission and distribution system on the same terms and conditions, for the term of the existing agreement or arrangement on payment of transmission charges, wheeling charges and other charges as may be determined by the Commission from time to time.
- 4.2 Pursuant to coming into force of these regulations, the existing distribution licensees and trading licensees shall also be required to make firm arrangements / agreements for access to the transmission licensee's network for meeting power requirements of their current and future consumers. These distribution licensees and trading licensees shall, within 60 days of coming into force of these regulations, furnish to the State Transmission Utility/transmission licensee and the State Load Despatch Centre such details, but not limited to, of capacity utilized, point of injection, point of drawal, duration of availing open access, peak load, average load or such other information as the State Transmission Utility/Transmission Licensee and / or State Load Despatch Centre may require and the terms and conditions for such use. The distribution licensee and trading licensee shall furnish the above information to the Commission also.

Existing consumers and generators

- 4.3 The existing consumers or generating companies including the non conventional energy sources availing open access under agreements or government policy on the date of coming into force of these regulations shall be entitled to continue to avail open access on such transmission and distribution system on the same terms and conditions, for the term of the existing agreement or arrangement on payment of transmission charges, wheeling charges and other charges as may be determined by the Commission from time to time. They shall submit to the State Load Despatch Centre details of capacity utilized, point of injection, point of drawal, duration of availing open access, peak load, average load or such other information as the State Transmission Utility/Transmission Licensee/concerned Distribution Licensee or State Load Despatch Centre may require, within 60 days of coming into force of these regulations.
- 4.4 Existing consumers or generating companies under clause 4.3 above may continue to avail open access on terms and conditions laid down under these regulations to the extent they are not covered by any policy directive by the State Government to the Commission. In such cases clause 3.3 shall not be applicable. The transmission charges, wheeling charges and other charges applicable for such facility shall be as determined by the Commission from time to time.

5: CATEGORIZATION OF OPEN ACCESS CUSTOMERS

- 5.1 The open access customers shall be classified into the following categories:

Long-term open access customers: An open access customer availing open access for a period of ten years or more shall be a long-term open access customer.

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

Short-term open access customer: The Open Access customers other than the long term open access customers shall be short-term open access customers.

6: ALLOTMENT PRIORITY

- 6.1 The priority for allowing open access shall be decided on the following criteria:
- a. Distribution Licensee for long-term;
 - b. Other open access customers for long-term;
 - c. Distribution Licensee for short-term;
 - d. Other open access customers for short-term;
- 6.2 Subject to the above clauses, the decision for allowing long-term open access shall be based on the basis of first come first serve.

- 6.3 Subject to the above clauses, the decision for allowing short term open access shall be based on the basis of either first come first serve method or bidding as the case may be.

7: CRITERIA FOR ALLOWING OPEN ACCESS

Transmission Open Access

- 7.1 The voltage of inter-connection shall be as per the MP Electricity Supply Code, 2004.
- 7.2 The long-term access shall be allowed in accordance with the transmission planning criterion stipulated in the MP Electricity Grid Code.
- 7.3 The short-term access shall be allowed, if the request can be accommodated, by utilising: -
- Inherent design margins;
 - Margins available due to variation in power flows; and
 - Margins available due to in-built spare transmission capacity created to cater to future load growth.

Distribution Open Access

- 7.4 The voltage of inter-connection shall be as per the MP Electricity Supply Code, 2004.
- 7.5 The distribution licensee shall extend the facility of open access of its system, in accordance with the time table envisaged in these regulations and the duties of distribution licensee with respect to such supply shall be of a common carrier providing non discriminatory open access.

8: PROCEDURE TO AVAIL OPEN ACCESS

Nodal Agency

- 8.1 The nodal agency for arranging all types of long-term access, such as transmission or distribution or combination of both, shall be the State Transmission Utility (STU) who shall nominate the officer not below the rank of Superintending Engineer to process the open access applications.
- 8.2 The nodal agency for arranging all types of short-term open access, such as transmission or distribution or combination of both, shall be the State Load Despatch Centre who shall nominate the officer not below the rank of Superintendent Engineer to receive and respond to the requests of open access customers.
- 8.3 The transmission and the distribution licensees operating in the State shall also nominate the officers not below the rank of Superintending Engineer to co-ordinate with the STU for processing the open access applications.
- 8.4 The names and contact details of such officers nominated by STU, SLDC and the licensees shall be informed to the Commission and shall be available on the websites of STU, SLDC, and the Licensees.

- 8.5 The Nodal Agencies i.e. STU and SLDC, shall be responsible for the implementation of these regulations and shall act under the supervision and control of the Commission for the purpose.

Guidelines

- 8.6 The State Transmission Utility (STU) in consultation with State Load Dispatch Centre (SLDC), transmission licensee and distribution licensees shall draft and submit to the Commission for approval the guidelines, procedures, application form for applying for open access, model Bulk Power Transmission Agreement, Bulk Power Wheeling Agreement and Balancing and Settlement Mechanism of energy as well as demand within thirty days of issue of these regulations. Any other matters, that, according to these regulations, require guidelines from STU or SLDC, shall also be included in the draft and submitted to the Commission for approval.

Application Procedure

- 8.7 An open access customer shall file an application to the nodal agency in the format provided with these regulations. The nodal agency has the right to seek additional information as may be required. The nodal agency shall acknowledge the receipt of completed application, alongwith the requisite fee payable, to the party with in one working day of receipt.
- 8.8 A customer intending to avail open access shall also submit a copy of his application to the distribution licensee who is supplying electricity to him or in whose area of supply, the point of drawl lies.
- 8.9 The application shall be accompanied by non-refundable application fee of Rs. 50,000/- (Rs. Fifty Thousand) for long term open access payable to the State Transmission Utility and Rs. 5,000/- (Rs. Five Thousand) for short term open access payable to the SLDC. The application fee shall be in the form of demand draft.
- 8.10 The applications received through fax / electronic mail shall also be accepted.
- 8.11 The nodal agency shall forward a copy of the application to the transmission licensee and to the distribution licensee who is supplying electricity or in whose area of supply, the point of drawl lies.

Procedure for Long Term Open Access

- 8.12 Based on system studies conducted and in consultation with other agencies involved including other transmission and distribution licensees, the nodal agency i.e. STU 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 without delay on entering into commercial agreements.

- 8.13 If, in the opinion of the STU, further system strengthening is essential before providing the long-term access, the applicant may request the STU to carry out the system studies and preliminary investigation for the purpose of cost estimates and completion schedule for system strengthening.

- 8.14 The STU in consultation with other agencies involved including other transmission and distribution licensees shall carry out the studies immediately on receipt of request from the applicant under regulation 8.12 above and intimate results of the studies to the applicant within 90 days of receipt of request. The input data and the output results plotted on system map and also in tabular form shall be preserved by the STU in electronic form and hard copies. The applicant may request the STU for appropriate action based on the result of the study.
- 8.15 The applicant shall reimburse the actual expenditure incurred by the STU for system strengthening studies:
- Provided that the fee of rupees fifty thousand paid by the applicant shall be adjusted against the actual expenditure to be reimbursed by the applicant.
- 8.16 In case more than one long term open access customer applies for capacity allocation on the same day and if the capacity sought to be allocated to the customers is more than the available capacity at that point of time, the nodal agency may offer to allocate the capacity in the ratio of capacity sought by the customers till the time the capacity is augmented.
- 8.17 The allotment of transmission capacity to a long-term customer shall not be relinquished or transferred to any other customer without the prior approval of the Commission. The long term customer relinquishing or transferring the capacity shall be liable to pay such charges as may be determined by the Commission for the purpose.

Procedure for Short Term Open Access

- 8.18 Application for grant of short-term open 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.
- 8.19 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 capacity.
- 8.20 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 regulation 8.18 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 corridors to be used for short-term open access.
 - (b) In case the State Load Despatch Centre does not anticipate congestion on any of the 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 State Load Despatch Centre, grant of short-term open access to all the applicants is likely to lead to congestion in one or more of the corridors to be used for short-term open access for any duration, it shall inform the applicants of its opinion accordingly

and the reasons thereof 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 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 State Load Despatch Centre accordingly by the twenty-fifth day of the month.

(e) If the State Load Despatch Centre still anticipates congestion in one or more of the corridors to be used for short-term open access, it shall invite electronic-bids for reservation of capacity of the congested corridor in accordance with regulation 8.23 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.

8.21 In the event of a reserved corridor subsequently becoming fully or partly vacant for certain duration in a month, the State Load Despatch Centre shall display this information in public domain on its website.

8.22 The State Load Despatch Centres shall lay down within 30 days of coming into effect of these regulation a detailed procedure for reservation of transmission and distribution capacities 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 routes and any other residual matter. Any further revision of the procedure shall be carried out only after obtaining prior approval of the Commission.

8.23 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. The reserved transmission and distribution capacities shall not be transferred by a short-term customer to any other customer.

Bidding Process for Short-term Open Access

8.24 In accordance with regulation 8.19 in case the capacity sought to be reserved by the customers is more than the available capacity at that point of time the State Load Dispatch Centre shall invite bids from such customers.

8.25 The floor price for bidding shall be the ST_RATE determined in accordance with Regulation **13:** of these regulations.

8.26 The bidders shall quote price in terms of the floor price.

8.27 No bidder shall be allowed to quote price more than five times of the floor price.

8.28 Reservation of transmission and distribution capacities shall be made in decreasing order of the price quoted.

8.29 In case of equal price quoted by two or more bidders, the reservation of transmission and /or distribution capacity shall be made pro rata to the transmission and/or distribution capacity sought to be reserved.

- 8.30 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 and/or distribution capacity reservation equal to the capacity sought to be reserved, shall pay the charges quoted by the last customer getting capacity reservation equal to the reservation of capacity sought by him.

Monitoring, Dispute resolution and review of decision

- 8.31 The Commission shall constitute a Committee, to be known as the 'Open Access Monitoring, Dispute Resolution and Decision Review Committee' (hereinafter referred to as "the Committee").
- 8.32 The Committee shall consist of one representative each from the State Load Dispatch Centre, the State Transmission Utility and Distribution Licensee, to be approved by the Commission and one person to be nominated by the Commission from amongst its staff. The representative of the Commission shall be its Coordinator. The State Load Dispatch Centre, the State Transmission Utility, the Distribution Licensee and the Commission, may nominate one alternate member whose views shall be construed to be the views of the incumbent member whom he represents:

Provided that the members representing the State Load Dispatch Centre, the State Transmission Utility and the Distribution Licensee shall not, unless otherwise approved by the Commission in writing, be officers of a rank below the rank of the Superintending Engineer or equivalent.

- 8.33 The Committee shall monitor the functioning of Nodal Agencies regularly. The Committee shall have to take the stock of the situation at least once in three months. The STU and SLDC are obliged to provide the details of open access granted, the applications pending / rejected by the nodal agencies, etc. to the Committee. The Committee shall also review these regulations once in every six months.
- 8.34 The Committee shall resolve the disputes of open access permissions and review the decisions of nodal agencies when requested by the aggrieved customers.
- 8.35 Any person aggrieved by a decision of the Nodal Agency or may upon the discovery of new and important material or evidence or otherwise which, after the exercise of due diligence, was not within his knowledge or could not be produced by him at the time when the decision was passed or on account of some mistake or error apparent from the face of the record, or for any other sufficient reason, may apply for a review of such decision, within forty-five (45) days of the date of the decision, to the Committee.
- 8.36 An application for such review shall be filed with the Committee. Depending on whether or not there is sufficient ground for review, the Committee would either accept or reject requests for such reviews.
- 8.37 When it appears to the Committee that there is no sufficient ground for review, the Committee shall reject such review application.
- 8.38 When the Committee is of the opinion that the review application should be granted, it shall grant the same.
- 8.39 In the event of any dispute on the decision of State Load Dispatch Centre in the matter of providing the short term open access as defined in these regulations above, the matter shall also be referred to the Committee.

- 8.40 The customer may file the petition with the Commission for seeking the order if he is not satisfied with the decision of the Committee. In this case the customer shall have to file the petition in accordance with the MPERC (Conduct of Business) Regulations.

9: TIME SCHEDULE FOR PROCESSING APPLICATION

- 9.1 The following time schedule shall be adhered to by the nodal agency for processing of the application for grant of open access:

S.No.	Type of service/activity	Maximum Processing Time (Including holidays)
1.	Short-Term Open Access (as in Regulation 8.19)	
	Up to One day	24 hours
	Up to one week	48 hours
	More than one week	72 hours
2.	Long-Term Open Access	
	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

Day ahead transactions:

- 9.2 The advance payment of transmission charges, wheeling charges, operating charge and other charges specified in Regulation 13: shall not be insisted upon. These payments can be made within 3 working days of making of the application.
- 9.3 A composite request for open access and scheduling shall be sent to the State Load Despatch Centre latest by 3.00 PM. The State Load Despatch Centre shall take steps to incorporate the request for open access in its schedules to be issued if the request can be accommodated without causing congestion.
- 9.4 A composite request for open access and scheduling to utilise surpluses known after issuance of the first despatch schedule by State Load Despatch Centres at 5.00 PM, must be submitted latest by 10.00 PM or preferably earlier. The State Load Despatch Centre shall endeavour to incorporate the same in the revised despatch schedule to be issued, if the request can be accommodated without causing congestion.

Same Day transactions

- 9.5 The advance payment of transmission charges, wheeling charges, operating charge and other charges specified in Regulation 13: shall not be insisted upon. These payments can be made within 3 working days of making of application.

- 9.6 In the event of emergency, the open access customers may locate a source of power to meet short-term emergency requirement on the same day and forward request for open access to the State Load Despatch Centre. The State Load Despatch Centres shall endeavour to accommodate such emergency requests as soon as and to the extent feasible.

10: OPEN ACCESS AGREEMENTS

- 10.1 An open access customer shall enter into agreements with the concerned licensees, generators, traders and others as applicable and fulfil other conditions as laid down under these regulations.
- 10.2 Bulk Power Transmission Agreement: A long-term open access customer using transmission system shall enter into Bulk Power Transmission Agreement (BPTA) with the transmission licensee for use of intra-state transmission system.
- 10.3 Bulk Power Wheeling Agreement: A long-term open access customer using distribution system shall enter into Bulk Power Wheeling Agreement (BPWA) with the distribution licensee for use of distribution system.
- 10.4 The electronic conveyance of acceptance of agreements shall be permitted.
- 10.5 Within three days of furnishing the agreements, the STU / State Load Despatch Centre shall inform the date of commencement to the open access customer.
- 10.6 The licensee shall intimate any new agreement entered into by an Open Access Customer, to the Commission within seven days of formalization of the agreement in addition to displaying it on the website.

11: NON-UTILISATION OF RESERVED TRANSMISSION CAPACITY BY SHORT-TERM CUSTOMER

- 11.1 In case a short-term customer is unable to utilise, full or substantial part of the reserved transmission and/or distribution capacity, he shall inform the State Load Despatch Centre along with reasons for his inability to utilise the reserved transmission capacity and may surrender the reserved transmission and/or distribution capacity.
- 11.2 Notwithstanding any thing contained in these regulations, the State Load Despatch Centre may on its own reduce or cancel the reserved transmission and/or distribution capacity of a short-term customer when such a short-term customer frequently underutilises the reserved transmission and/or distribution capacity:

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

- 11.3 The short-term customer, who has surrendered the reserved transmission and/or distribution capacity under clause 11.1 or whose reserved transmission and/or distribution capacity has been reduced or cancelled under clause 11.2, shall bear the transmission charges, wheeling charges and the operating charge based on the original reserved transmission and/or distribution 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 13:

- 11.4 The transmission and/or distribution capacity becoming available as a result of surrender by the short-term customer under clause (11.1) or as a result of reduction or cancellation of the reserved transmission and/or distribution capacity by the State Load Despatch Centre under clause (11.2) may be reserved for any other short-term customer in accordance with these regulations.
- 11.5 The customer may approach the Committee for redressal of grievances, if any.

12: CURTAILMENT ORDER

- 12.1 When because of constraints or otherwise, it becomes necessary to curtail the capacity allocated to the Open Access Customers, the following order shall be adhered to:
- i. Short-term Open Access Customers (excluding distribution licensees)
 - ii. Short term Open Access capacity allotted to distribution licensees
 - iii. Long-term Open Access Customers (excluding distribution licensees)
 - iv. Long term Open Access capacity allotted to distribution licensees
- 12.2 Within a category, power curtailment shall be carried out on a pro-rata basis.
- 12.3 The reservation of transmission and / or distribution capacity to the short-term customer may be reduced or cancelled by the State Load Despatch Centre, if Government of India / Government of Madhya Pradesh allocates power from the Central generating Station(s) / State Generating Station(s), as the case may be, in an area to a person in another area and such allocation, in the opinion of the State Load Despatch Centre, cannot otherwise be implemented due to congestion in the transmission link. If the State Load Despatch Centre decides to reduce or cancel transmission and / or distribution 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 and /or distribution capacity.

Transmission Charges for short-term customers in case of curtailment

- 12.4 In case of curtailment of more than 25% of the reserved transmission capacity by the State 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.

13: CHARGES FOR OPEN ACCESS

- 13.1 The licensee providing open access shall levy only such fees or open access charges as may be specified by the Commission from time to time. The principles of determination of the charges are elaborated hereunder. The sample calculations are enclosed as annexure -I.

a. **Transmission Charges** –The transmission charges for use of the transmission system of the transmission licensee for intra-state transmission shall be regulated as under, namely: -

i. The annual Transmission Service Charges (TSC) payable by a long-term customer for use of the State Transmission System shall be determined in accordance with the terms and conditions of tariff notified under section 61 of the Electricity Act, 2003 by the Commission from time to time. These charges shall be shared by the long-term open access customers.

ii. The transmission charges payable by a short-term customer for the use of intra-state transmission system shall be calculated in accordance with the following methodology,

$$ST_RATE = 0.25 \times [TSC/ Av_CAP]/ 365$$

Where:

ST_RATE is the rate for short-term customer in Rs per MW per day.

"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 Commission.

"Av_CAP" means the average capacity in MW served by the intra-state 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.

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

Up to 6 hours in a day in one block: 1/4th of ST_RATE

More than 6 hours and up to 12 hours in a day in one block: ½ of ST_RATE

More than 12 hours and upto 24 hours in a day in one block: equal to ST _RATE

iv. Fifty percent (50%) of the revenue thus earned from the short-term open access customers shall be utilized to reduce the transmission charges of the long-term open access customers. The remaining 50% revenue shall be kept by the transmission licensee for making capital expenditure for development of the infrastructure. The transmission licensee shall maintain separate account for the revenue earned from short term customers. The licensee shall have to disclose this account to the Commission at the time of determination of its annual revenue requirement by the Commission and also shall have to seek the approval of the Commission before making any capital expenditure in accordance with the Conditions of Licence regulation.

b. **Wheeling Charges** –. The Wheeling charges for use of the distribution system of a licensee shall be regulated as under, namely: -

- i. The Wheeling Charges (WC) payable by a long-term customer for use of the Distribution System shall be determined in accordance with the terms and conditions of tariff notified under section 61 of the Electricity Act, 2003 by the Commission from time to time. These charges shall be shared by the long-term open access customers.
- ii. The wheeling charges payable by a short-term customer for the use of distribution system shall be calculated on daily basis, and shall be equal to the wheeling charges payable by the long-term open access customer. The wheeling charges payable by a short-term customer in case of uncongested distribution system shall be levied as under, namely :-

Up to 6 hours in a day in one block: 1/4th of WC

More than 6 hours and up to 12 hours in a day in one block: 1/2 of WC

More than 12 hours and upto 24 hours in a day in one block: equal to WC

- iii. The distribution licensee shall maintain a separate head of account for the revenue earned from short-term open access customers and shall use this for strengthening of distribution system and not for meeting any revenue expenditure. The licensee shall disclose this income at the time of application of determination of tariff.
- iv. The revenue earned from the short term open access customers shall be kept by the distribution licensee for making capital expenditure for development of the infrastructure.

c. Operating Charge –

- i. The long term open access customers shall pay to the State Load Dispatch Centre, the scheduling and system operation charges as determined by the Commission in accordance with MPERC (Levy and collection of fee and charges of State Load Dispatch Centre) Regulation 2004.
- ii. An operating charge as determined by the Commission from time to time shall be payable by a short-term customer to the State Load Dispatch Centre.

Note–

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

- iii. 50% of the service charges collected from short term open access customers shall be retained by the State Load Dispatch Centre for making capital expenditure for development of the infrastructure. SLDC shall maintain separate account for the revenue earned from short term customers and also shall have to seek the approval of the Commission before making any capital expenditure. Balance 50% shall be adjusted towards the charges payable by long term open access customers.

d. Imbalance charges –

- 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 governed by Balancing and Settlement Code applicable to the intra-state transactions;
- ii. A separate bill for imbalance charges shall be issued to open access customers.

e. Reactive Energy Charges -

- i. 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 intra-state transmission approved by the Commission from time to time.
 - ii. The reactive energy drawals and injections by the embedded customers shall be governed by the scheme applicable within the State concerned.
- f. **Surcharge** – The Commission shall specify the cross subsidy surcharge for individual categories of consumers separately.
- g. **Additional Surcharge** – The Commission shall determine the additional surcharge on a yearly basis.
- h. **Interconnection Expenses** – The open access customers seeking interconnection for their generators and loads with the grid shall be required to meet one time i.e. at the time of interconnection, such expenses as actually incurred by the licensee.
- i. **Any other charges** in cash or kind as may be specified by the Commission shall be payable by the open access customer.

- 13.2 All open access users must make reasonable endeavours to ensure that their actual demand or actual sent-out capacity, as the case may be, at an inter-connection does not exceed the contract maximum demand or actual sent-out capacity for that inter-connection.

Provided that for carrying out balancing and settlement of energy and demand at all entry and exit points relating to access agreements, the licensee shall strictly adhere to the Balancing and Settlement Code to be approved by the Commission and thereafter, as amended from time to time by the Commission.

Provided further, that till such time the Balancing and Settlement Code is approved by the Commission, the terms and conditions for energy and demand balancing as set out in the existing agreements shall continue to apply.

- 13.3 In case if open access customer uses Inter-state Transmission System and services of Regional Load Dispatch Centre and State Load Dispatch Centre of other state, the transmission charges of CTU and STU of other State and service charges of Regional Load Dispatch Centre and State Load dispatch Centre of other state shall be payable by the open access customer in addition to the charges fixed by MPERC.

14: ENERGY LOSSES

- 14.1 The open access customers shall bear energy losses of transmission system and distribution system as approved by the Commission in accordance with the regulation framed by the Commission under section 61 of Electricity Act 2003, i.e. MPERC Terms and Conditions for Determination of Tariff) Regulations, 2005. The energy losses in the transmission and distribution systems shall be compensated by additional injection at the injection point(s).
- 14.2 The information regarding average energy losses for the previous 12 months shall be posted on the websites of the State Load Despatch Centre and the transmission and distribution licensees.

15: PREPARATION OF BILLS AND PAYMENT THEREOF

- 15.1 Bills against charges mentioned in clause 13 shall be prepared by the licensee concerned or the SLDC, as the case may be. The open access customers shall pay these bills directly to the entity raising such bills.
- 15.2 Long-Term customers
- Security in the form of Letter of Credit (LC) for transmission and wheeling charges (as may be applicable) equal to 1/12 of the last year's bill amount (excluding the cost of power) on the basis of agreed schedule shall be maintained with the concerned licensee. Security deposit for SLDC charges equal to the 1/12 of yearly charges shall also be maintained with the State Load Dispatch Centre.
- 15.3 Short-term customers

The transmission charges, wheeling charges, operating charge and other charges shall be paid to the concerned utility on a monthly basis. Advance payment for one month or period of access, whichever period is shorter, shall be made within three working days of grant of access. Subsequent payments shall be made at least one day before beginning of next month. 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.

- 15.4 Payment shall be made either through cheque/demand draft payable at the location of the concerned utility or through electronic transfer.
- 15.5 In the event of non payment of the dues the licensee(s) shall have the right of disconnection of supply in accordance with section 56 of the Electricity Act 2003.
- 15.6 The Collection and disbursement of the Imbalance charges and the reactive energy charges shall be governed in accordance with the procedure and methodology to be specified by the Commission from time to time.

16: METERING

- 16.1 Open access customers shall provide ABT compatible special energy meters as main meters, as specified by the Commission in metering code for such consumers based on voltage, point and period of supply and tariff category. The term 'Meter' shall include Current transformers, voltage/potential transformers, wiring between them and meter box/panel. The concerned licensee shall have to certify the meters, metering equipments and the installation of the meter.
- 16.2 Main meters shall always be maintained in good condition and shall be open for inspection by any person authorised by the nodal agency.

- 16.3 The concerned licensee may provide check meters of the same specifications as main meters.
- 16.4 The main and check meters shall be periodically tested and calibrated by the concerned licensee in the presence of other party involved. Main and check meters shall be sealed by both parties. Defective meter shall be replaced immediately.
- 16.5 Reading of main and check meters shall be taken periodically at appointed day and time by authorized officer of the concerned licensee, the generator and the customer or his representative, as the case may be. Meter reading shall be communicated to SLDC, the open access customer, and the generating company or trader, as the case may be, by the licensee, within **24** hours of meter reading.
- 16.6 Readings of the check meters shall be considered when main meters are found to be defective or stopped. Both the main meter and check meter shall be tested for accuracy if difference between the readings of main and check meters vis-à-vis main meter reading exceed twice the percentage errors permissible for relevant accuracy class. The check meter reading shall be considered for billing and if the meter is found defective and the defective shall be replaced immediately.
- 16.7 If an open access customer requires the licensee to provide main meters he shall provide security deposit to the licensee and shall pay for its rent. The meter shall be maintained by the licensee.

17: FLEXIBILITY TO CHANGE POINTS OF INJECTION AND DRAWL

- 17.1 The Long-Term users shall have the flexibility to change point of injection and/or point of drawl once a year subject to the results of system impact studies to be carried out by the concerned Licensees at the behest of such users, provided that the rights of existing users shall not be adversely affected. All expenses incurred by the Licensees to carry out such studies shall be reimbursed in full by such users.
- 17.2 The State Load Despatch Centre may allow a short-term customer to change the point or points of injection in case of any contingency arising from outage of generation or the associated transmission, provided it is feasible.
- 17.3 The reservation of transmission capacity on additional or new transmission corridor, if any, consequent to change in point of injection allowed by the State Load Despatch Centre shall be processed in accordance with these regulations.
- 17.4 When the application for change of point or points of injection is granted by the State Load Despatch Centre, the transmission charges and service charge already paid shall be adjusted against the transmission charges and service charge becoming payable in accordance with the reserved transmission capacity as revised.

18: MISCELLANEOUS

Communication facility

- 18.1 The communication facility to be provided by the customer will be defined by SLDC on a case-to-case basis. The open access customer shall have to provide all such facilities.

- 18.2 An open access customer shall have the facilities of telephone, fax and email. The details of their communication systems shall be provided to the SLDC and the nodal agency.

Information system

- 18.3 The nodal agencies (STU and SLDC) and licensees shall be required to maintain the following information on their websites, in a separate web-page titled "Open Access Information", separately for the short-term and long-term Open Access Customers, in order to ensure transparency and carry out information exchange among themselves required to process open access applications:
- 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. Capacity of Transmission's system / distribution system;
 - f. Open access capacity used;
 - g. Applicable rates;
 - h. Available transmission capacity.
 - i. Waiting list of applicants for intra state open access along with details.
 - j. The degree of utilisation (over/under) in terms of MW vis.a.vis the capacity allotted (except minor variations) shall be reported on a consistent basis..
 - k. Floor rate in rupees per MW per day for the short-term customers (ST_RATE) for system of transmission licensees and distribution licensees situated within the State
 - l. Status of all applications received for open access (Long term as well as short term)
- 18.4 A quarterly report based on the above information shall also be provided in the licensees website. Information regarding average energy loss in transmission system and distribution system for the previous 12 months should also be provided in such websites.
- 18.5 If an open access customer or licensee so desires, the SLDC shall provide information to them on capacity available or desired within a period of fifteen days in case of a long term open access consumer and one day in case of short term open access consumer.
- 18.6 SLDC shall provide details of the changes in demand (load behaviour) on its website.
- 18.7 The provision of information shall commence within a period of two months from the effective date of this regulation.

Provision of Infrastructure at SLDC

- 18.8 The SLDC and STU shall have to provide the state-of-art communication facilities and data acquisition capabilities on real time basis for implementation of intra-state open access, therefore, the STU and SLDC shall prepare the frame work and action plan and submit the same to the Commission within 30 days from the notification of these regulations.

Redressal Mechanism

- 18.9 Any dispute or complaint relating to open access, such as unfair practice, delay, discrimination, lack of information or any other matter shall be reported to the Committee, which will investigate and endeavour to resolve the grievance.
- 18.10 The Commission shall adjudicate upon unresolved dispute regarding the availability of transmission facility.

Coordination

- 18.11 For the success of open access implementation, it is imperative that the licensees and the SLDC carry out information exchange among themselves on a daily basis to determine the level of open access transactions in their respective areas of supply, with emphasis on energy flows, load on transmission and distribution lines and equipments to determine system stability, available capacity, congestions in the networks, etc.

Grid Discipline and Quality of Supply

- 18.12 The licensee must use all reasonable endeavours to ensure that the quality of supply standards as prescribed by the Commission under section 57 of the Act, the Indian Electricity Grid Code and the MP Electricity Grid Code are met in respect of all open access users of its network, to the extent these quality parameters are applicable to such users.
- 18.13 The open access customer shall abide by the Indian Electricity Grid Code, the MP Electricity Grid Code and the instructions given from time to time by the State Transmission Utility and SLDC.

Issue of Orders and Practice Directions

- 18.14 Subject to the provision of Electricity Act 2003 and these regulations, the Commission may, from time to time, issue orders and practice directions with regard to the implementation of the regulations and procedure to be followed.

Powers to Remove Difficulties

- 18.15 If any difficulty arises in giving effect to any of the provisions of these Regulations, the Commission may, by general or special order, direct the SLDC, generators, licensees and the Open Access Customer, to take suitable action, not being inconsistent with the provisions of the Act, which appears to the Commission to be necessary or expedient for the purpose of removing the difficulties.
- 18.16 The open access customers, generators, licensees and SLDC may make an application to the Commission and seek suitable orders to remove any difficulties that may arise in implementation of these regulations.

Power to amend

18.17 The Commission may from time to time add, vary, alter, modify or amend any provisions of these regulations after following the necessary procedures

Savings

18.18 Nothing in these Regulations shall be deemed to limit or otherwise affect the inherent power of the Commission to make such orders as may be necessary to meet the ends of justice or to prevent abuses of the process of the Commission.

18.19 Nothing in these Regulations shall bar the Commission from adopting in conformity with the provisions of the Act a procedure, which is at variance with any of the provisions of these Regulations, if the Commission, in view of the special circumstances of a matter or class of matters and for reasons to be recorded in writing, deems it necessary or expedient for dealing with such a matter or class of matters.

18.20 Nothing in these Regulations shall, expressly or impliedly, bar the Commission dealing with any matter or exercising any power under the Act for which no Regulations have been framed, and the Commission may deal with such matters, powers and functions in a manner it thinks fit.

By Order of the Commission

ASHOK SHARMA, Dy. Secy.