

**PUNJAB STATE ELECTRICITY REGULATORY COMMISSION**

**Draft Notification**

**The -----, 2022**

No. PSERC/Secy/Regu. - In exercise of the powers conferred under Section 42 read with Section 181 of the Electricity Act, 2003 (Central Act 36 of 2003) and all powers enabling the Commission in this behalf and after previous publication, the Punjab State Electricity Regulatory Commission hereby makes the following Regulations to amend the Punjab State Electricity Regulatory Commission (Terms & Conditions for intra-State Open Access) Regulations, 2011 including the first to ninth amendments thereof (hereinafter referred as “the Principal Regulations”) namely:-

**1. Short Title and Commencement:**

(1) These regulations shall be called the Punjab State Electricity Regulatory Commission (Terms and Conditions for intra-State Open Access) (10<sup>th</sup> Amendment) Regulations, 2022.

(2) These Regulations shall come into force from the date of their notification in the official gazette of the State.

**2. Amendments in Regulation 3 of the Principal Regulations – Definitions**

a) In Regulation 3(1) of the Principal Regulations, following definition shall be substituted as under:

(www) “**Standby power**” means power required in case an Open Access customer is unable to procure/draw power from open Access source due to outage of generator with whom he has the agreement to procure power or failure of transmission/distribution system.

b) In Regulation 3(1) of the Principal Regulations following new definitions shall be added as under:

(aaa) “**Admissible drawal**” Admissible drawal of the open access customer shall be the entitlement of open access customer during any time block of the

day from the distribution licensee as per the provisions of these Regulations.

- (ccc) “**Banking**” means the energy scheduled and injected into the grid and credited with the distribution licensee which shall be drawn later on such terms and conditions as may be approved by the Commission under this Regulation;
- (ee) “**Central Nodal Agency**” means the nodal agency notified by the Central Government to set up and operate a single window green energy open access system for renewable energy.
- II) “**Full Open Access Customer**” means the Open Access customer connected to transmission system or distribution system but not having any contract demand with the distribution licensee within the State.
- III) “**Green Energy**” means the electrical energy from renewable sources of energy including hydro and storage (if the storage uses renewable energy) or any other technology as may be notified by the Government of India from time to time and shall also include any mechanism that utilizes green energy to replace fossil fuels including production of green hydrogen or green ammonia as per provision of the Electricity (Promoting Renewable Energy Through Green Energy Open Access) Rules, 2022.
- III) “**Green Energy Open Access**” means the open access allowed to a consumer including captive user for carrying electricity from green energy source as per provisions of these Regulations read with the Electricity (Promoting Renewable Energy Through Green Energy Open Access) Rules, 2022.

l) **“Green Energy Open Access Consumer”** means any person who has sanctioned contracted demand of 100kVA or more or such other limit as may be specified by Commission from time to time, except for captive consumers, who are supplied with electricity from green energy sources for their own use by a licensee or the Government or by any other person engaged in the business of supplying electricity to the public under this Act or any other law for the time being in force and includes any person whose premises are for the time being connected for the purpose of receiving green energy with the works of a licensee, the Government or such person, as the case may be.

tt) **“Partial Open access customer”** mean Open Access customer connected to the transmission system or distribution system and having his contract demand with the distribution licensee within the State.

### **3. Amendment in Regulation 10 of the Principal Regulations- Eligibility for Open Access and conditions to be satisfied**

Following new provisos shall be added after 1<sup>st</sup> proviso of Regulation 10 (3) of the Principal Regulations:

“Provided further that only consumers having sanctioned contract demand of 100kVA and above shall be eligible to take power through Green Energy Open Access as per Electricity (Promoting Renewable Energy Through Green Energy Open Access) Rules, 2022.

Provided also that there shall be no load/demand limit for a captive user taking power through Green Energy Open Access.”

### **4. Amendment in Regulation 15 of the Principal Regulations- Application procedure for Open Access**

a) In Regulation 15 (1) of the Principal Regulations, the words “Open Access” shall be substituted with words “open access except Green Energy Open Access consumers”.

- b) Following new clause (3) to Regulation 15 of the Principal Regulations shall be added as under:

“15(3) In case of all applications for green energy open access:

i) The Central Nodal agency shall set up a centralized registry for all Green Energy Open Access consumers and all the applications related to green energy open access shall be submitted on the portal set up by the Central Nodal Agency and these applications shall get routed to the State nodal agency as specified by the Commission under these Regulations for grant of green energy open access.

ii) The concerned State nodal agency shall, by an order in writing, approve the applications for the Green Energy Open Access within a period of 15 days, failing which it shall be deemed to have been approved subject to the fulfillment of the technical requirements as specified by the Commission:

Provided that the order of processing of such applications for Green Energy Open Access shall be first in first out.

iii) The Short term and medium-term open access shall be allowed, if there is sufficient spare capacity available in the transmission system without any augmentation whereas for long term open access, the transmission system may be augmented if required:

Provided that priority shall be given to long term in the existing system if spare capacity is available and further, open access for non-fossil fuel sources shall be given priority over the open access from the fossil fuel.

iv) No application for open access shall be denied unless the applicant has been given an opportunity of being heard in the matter and all orders denying open access shall be speaking orders.

v) Appeals against an order of the concerned nodal agency, shall lie before the Commission, within a period of thirty days from the date of receipt of order

vi) The Commission shall dispose the appeal within a period of three months and the order issued by it, shall be binding on the parties.”

**5. Amendment in Regulation 26 of the Principal Regulations- Cross subsidy surcharge**

- a) Following new provisos shall be added after 2<sup>nd</sup> proviso of Regulation 26 (1) of the Principal Regulations

“Provided also that the cross subsidy surcharge for Green Energy Open Access Consumer purchasing green energy, from a generating plant using renewable energy sources, shall not be increased, during twelve years from the date of operating of the generating plant using renewable energy sources, by more than fifty percent of the surcharge fixed for the year in which open access is granted;

Provided also that cross subsidy surcharge shall not be applicable in case power produced from a Waste-to-Energy plant is supplied to the Open Access Consumer  
Provided also that Cross subsidy surcharge shall not be applicable if green energy is utilized for production of green hydrogen and green ammonia.

Provided also that the cross-subsidy surcharge payable by a consumer shall be such as to meet the current level of cross subsidy within the area of supply of the distribution licensee.”

- b) In Regulation 16 (2) of the Principal Regulations, the words “combined average cost of supply” shall be substituted with words “average cost of supply”

**6. Amendment in Regulation 27 of the Principal Regulations- Additional Surcharge**

Following new provisos shall be added after 1<sup>st</sup> proviso of Regulation 27 (2) of the Principal Regulations

“Provided further that the additional surcharge shall not be applicable for Green Energy Open Access Consumers, if fixed charges are being paid by such a consumer:

Provided also that additional surcharge shall not be applicable in case power produced from a Waste-to-Energy plant is supplied to the Open Access Consumer  
Provided also that additional surcharge shall not be applicable if green energy is utilized for production of green hydrogen and green ammonia.”

## **7. Amendment in Regulation 27A of the Principal Regulations- Standby Charges**

- a) Following new provisos shall be added after Regulation 27 A (3) of the Principal Regulations:

“Provided further that the Green Energy Open Access consumer may opt to avail standby power beyond 42 days and upto 80 days by paying commitment charges as specified in clause (4) below.”

- b) Regulation 27A (4) of the Principal Regulations shall be substituted as under:

“27A (4) Wherever an agreement for Standby power exists between the Open Access Customer and the distribution licensee of his area of supply, he shall be required to pay to the distribution licensee a charge equal to Rs. 35 per kVA per month or part thereof or as may be decided by the Commission from time to time, towards commitment charges on the capacity (in kVA) contracted as Standby demand from the distribution licensee. Provided that Green Energy Open Access consumer may opt to avail standby power upto 60 days in a financial year by paying commitment charges equal to Rs. 50 per kVA per month or part thereof and upto 80 days in a financial year by paying commitment charges equal to Rs. 60 per kVA per month or part thereof. The option shall be exercised by the Green Energy Open Access Customers at the time of entering in to standby agreement with the distribution licensee. The commitment charges shall apply every month commencing from the date of applicability of the agreement, irrespective of whether the Open Access Customer avails Standby power or not.”

- c) In Regulation 27A (5) of the Principal Regulations, the words “demand surcharge” shall be substituted with words “demand surcharge on daily basis.”

- d) Following new provisos shall be added after 2<sup>nd</sup> proviso of Regulation 27 A (5) of the Principal Regulations:

“Provided also that in case of Green Energy Open Access consumers, the Fixed Charges and Energy Charges shall be 1.25 times of that applicable to relevant

consumer tariff category corresponding to the demand slab of total of Standby contract demand and Sanctioned CD (if any).

Provided also that if the Green Energy Open Access Consumers have given notice, in advance at least twenty-four hours before the time of delivery of power, for standby arrangement to the distribution licensee, standby charges shall be applicable at the same rate applicable to relevant consumer tariff category corresponding to the demand slab of total of Standby contract demand and Sanctioned CD (if any).”

e) In Regulation 27A (6)(a)(i) of the Principal Regulations, the words “Regulation 28(3)” shall be substituted with words “Regulation 28(3) or 28(3)(A).”

f) Regulation 27A (6) (a) (ii) of the Principal Regulations shall be substituted as under:

“ii) For the Standby power availed (i.e. demand recorded in excess of the admissible demand), the charges shall be computed as under:

- **Energy charges:**

Energy charges shall be levied on the energy consumption calculated in proportion of the Standby power availed to the total demand recorded

- **Fixed charges and/or Demand surcharge:**

Fixed charges upto 42 days in a financial year or for the number of days as may be opted by Green Energy open access consumer in a financial year, shall be levied on daily basis on the Standby power availed upto the limit of Standby contract demand. In case, Standby power is drawn for more than number of days specified in the standby agreement for a financial year or if the Standby power availed exceeds the Standby contract demand, demand surcharge on daily basis shall be chargeable on the same.”

## **8. Amendment in Regulation 28 of the Principal Regulations- Scheduling**

a) Regulation 28 (3) of the Principal Regulations, shall be substituted as under:

“28(3) The quantum of drawl of electricity by an Open Access Consumer (except the Green Energy Open access consumer) from the distribution licensee during any time block of a day shall not exceed the admissible drawl of electricity by the

Open Access Consumer from the distribution licensee in such time block wherein the schedule for Open Access drawl is the maximum.

The following example illustrates the above provision:

**Example:** If an open access consumer with a contract demand of 10 MVA has scheduled 8 MVA, 5 MVA and 2 MVA power through open access in different time blocks of the day, say 2-3 hours, 9-11 hours and 18-22 hours respectively, then the entitlement of open access customer during time blocks when there is no schedule or less schedule of power than maximum scheduled power under open access, shall be 2 MVA from the distribution licensee, for that day.

Any variation in the admissible drawal shall be treated as per the provisions of Regulation 31 of these Regulations.

Provided that in case of variation in Admissible drawal due to curtailment in approved schedule of bilateral and collective transactions under Force Majeure condition(s), if the open access customer over draws power above the admissible drawal for the day from the 4th time block, then such consumer shall be charged as per Regulation 31(1)(a) for the excess power drawn from distribution licensee during the period of curtailment. The certification of such an event along with duration of curtailment shall be done by SLDC.”

c) Following new Regulation i.e 28(3)(A) shall be added as under:

“28(3) (A) The Green Energy Open Access consumer shall restrict the sum of his total drawal from open access and from the distribution licensee upto the total sanctioned contract demand. The maximum admissible drawal in any time block during the day for Green Energy Open Access consumer shall be the difference of sanctioned contract demand and scheduled entitlement.

Provided that the Green Energy open access consumer shall not change the quantum of power consumed through open access for atleast twelve consecutive time blocks of 15 minutes time interval during a day.

Provided further any variation in the admissible drawal shall be treated as per provisions specified under Regulation 31 of these Regulations.”



- d) In Regulation 28 (5) of the Principal Regulations, the words “Open Access customer” appearing in the 1<sup>st</sup> line shall be substituted with words “Open Access customer except Green Energy Open Access consumers”.
- e) Following new Regulation i.e 28(6) shall be added as under:  
“28(6) The banking facility shall be allowed to Green Energy open access consumers on following terms and conditions;
- i) The banking of power shall be allowed throughout the year as per the terms & conditions as approved by the Commission from time to time and on payment of banking charges to compensate the distribution licensee for additional cost on this account along with other applicable charges.  
Provided that the drawal of banked energy shall not be allowed during the peak seasonal period from 1<sup>st</sup> June to 30<sup>th</sup> September and also during peak load hours, as may be approved by the Commission.
  - ii) The permitted quantum of banked energy by the Green Energy Open Access consumers shall be upto 30% the total monthly consumption of electricity from the distribution licensee of the area. The excess energy banked shall be treated as dumped energy and shall not be carried forward to next month.
  - iii) The banked energy shall be permitted to be carried forward from month-to-month basis till the end of the financial year. The banked energy remaining unutilized at the end of the financial year shall lapse and no compensation shall be paid for such lapsed banked energy.
  - iv) The banking charges shall be levied in kind at the rate and in the manner as may be approved by the Commission.
  - v) The energy account of all banking transactions shall be maintained by SLDC  
The licensee shall prepare a detailed procedure for banking along with model banking agreement within a period of 30 days of the notification of these Regulations.

## **9. Amendment in Regulation 31 of the Principal Regulations- Imbalance Charges**

a) In Regulation 31 1 (a) & (b) of the Principal Regulations, the words “as notified by the Central Commission from time to time” shall be substituted with words “as specified in the PSERC (Deviation Settlement Mechanism and related matters) Regulations, 2020 as amended from time to time.”

b) Regulation 31 (2) of the Principal Regulations, shall be substituted as under:

2) Open Access customer who is a consumer of the licensee including Green Energy open access consumer.

The open access to a consumer including Green Energy Open access consumer may be allowed over and above the sanctioned contract demand provided that the Open Access consumer has taken permission from the distribution licensee for the same. In such a case a consumer will be allowed to draw the total load equivalent to the sum of scheduled entitlement as an Open Access customer, limited to actual injection, and sanctioned Contract Demand as a consumer of the distribution licensee. The total admissible drawal from the distribution licensee in any time block during the day in such case shall be limited to the sanctioned contract demand. Out of the recorded drawal, the scheduled entitlement as an Open Access customer will first be adjusted and the balance will be treated towards sanctioned Contract Demand of the consumer. The recorded maximum drawal will be accounted for/charged as under:

(a) When the recorded drawal of a consumer exceeds the admissible drawal or sanctioned contract demand as the case may be, the consumer will be liable to pay demand surcharge on daily basis as per the applicable Schedule of Temporary supply for relevant category.

(b) When the recorded drawal of a consumer is less than the schedule entitlement as an Open Access customer, it will be treated as a case of under drawal as per 1 (b) above.

The consumer will, however, be governed by the General Conditions of Tariff and relevant Schedule of Tariff approved by the Commission.

**10. Amendment in Regulation 42 of the Principal Regulations- Quantum of Renewable Purchase obligation (RPO)**

Regulation 42 (1) of the Principal Regulations, shall be substituted as under:

“42(1) Each Open Access customer shall ensure compliance of the Punjab State Electricity Regulatory Commission (Renewable Purchase Obligation and its Compliance) Regulations, 2011 as amended from time to time.”