

**ANDHRA PRADESH ELECTRICITY REGULATORY COMMISSION**  
**4<sup>th</sup> Floor, Singareni Bhavan, Red Hills, Hyderabad 500004**

**WEDNESDAY, THE FIRST DAY OF MAY**  
**TWO THOUSAND AND TWENTY-FOUR**  
**( 01.05.2024)**

**Present**

**Justice C.V. Nagarjuna Reddy, Chairman**  
**Sri Thakur Rama Singh, Member**  
**Sri P.V.R. Reddy, Member**

**In the matter of the**  
**APERC (Green Energy Open Access, Charges, and Banking ) Regulation, 2024.**  
**(Regulation No. 3 of 2024)**

The Commission issued a draft APERC (Green Energy Open Access, Charges, and Banking ) Regulation, 2023, and accordingly, a Public Notice along with a copy of the draft Regulation was hosted on the Commission's website on 30.09.2023 inviting comments/ suggestions/ objections from all the stakeholders and interested parties. In response to the public notice, the Commission received several comments/suggestions/objections from the stakeholders. For the sake of brevity, the gist of comments/suggestions/objections received in brief clause-wise appropriately, and the Commission's analysis and decisions on the same are discussed herein below.

---

**1. SHORT TITLE, COMMENCEMENT, AND EXTENT OF APPLICATION:**

**(i) Clause 1. Short title, commencement, and extent of application**

**Draft.**

- “ i. This Regulation shall be called the Andhra Pradesh Electricity Regulatory Commission (Green Energy Open Access, Charges, and Banking) Regulation, 2023.*
- ii. This Regulation shall come into force on the date the Commission approves the procedures and timelines for granting Green Energy Open Access as per this Regulation.*
- iii. This Regulation shall extend to the whole State of Andhra Pradesh*
- iv. This Regulation shall be applicable for allowing Open Access to electricity generated from Renewable Energy Sources, for use of Intra-State Transmission System/s (InSTS) and/or distribution system/s of licensee/s in the State, including such Intra-State Transmission and/or distribution system/s, which are incidental to Inter-State Transmission of electricity.*
- v. This Regulation supersedes all the earlier Regulations/Stipulations/Guidelines/Directions issued by the Commission in the matter of Open Access to Green Energy.”*

**Comments received from Stakeholders**

**APTRANSCO** has requested clarity about the applicability of existing Open Access Regulation No.2 of 2005 as many points like "Open Access Agreement", "capital investment towards network augmentation if necessitated", "Flexibility to change entry and exit points", "payment terms and conditions", "underutilization/surrendering of capacity/" etc., which were not discussed in the draft GEOA, 2023 regulation.

**M. Venu Gopal Rao and Others have stated** that based on guidelines, rules, letters, etc., issued by the GoI, the Hon'ble Commission taking up issues concerned to bring about or amend regulations suo motu in the interest of private capital. When the GoAP issues policies like the ones issued in 2018, withdrawing concessions, incentives, facilities, etc., extended to wind, solar and mini hydel power projects, the Commission did not take up the issues for amending the applicable regulations to be in tune with the policies of the GoAP suo motu. On the other hand, instead of issuing orders on the petitions filed by the power utilities of the government, after prolonged legal litigation and after GoAP amending the

policies issued in 2018, making them effective with prospective effect, the Hon'ble Commission directed the DISCOMs to file petitions afresh, despite their learned counsel making it clear that the petitions filed were for that purpose only. Neither fresh petitions nor amending the regulations concerned are in tune with the policies of GoAP in force. As a result, contrary to the policies issued by the GoAP, all concessions, incentives, facilities, etc., to wind, solar and mini hydel projects have been continuing. Even then, the Hon'ble Commission does not seem to be considering suo motu the need for amending the existing regulations in tune with the policies of the GoAP in force. They also referred to many of their comments raised in earlier occasions, the Commission's comments and requested the Commission to consider them while finalizing the Regulation.

**Shree Cement Ltd** has stated that Section 86 1(e) of the Electricity Act 2003 doesn't envisage any differentiation between a distantly located and co-state-located RE generating plant. Therefore, facilities such as banking that are available to a distantly located RE plant intra in the proposed regulations should also be made available to co-located RE Plants that are connected behind the meter and operating in parallel with - the grid with open access.

**Manikaran Power Limited** has stated whether this regulation is applicable for the procurement of renewable energy by the consumers of the State from sources located outside the state.

**Andhra Pradesh United Citizens Forum** has stated that undue burdens should not be imposed on other consumers of power of the Discoms. Encouraging green energy should not be at the cost of the larger public interest.

**Commission's analysis and decision:**

As regards the clarity-seeking on the Regulation by APTRANSCO, the nodal agencies under clause 8 of the Regulation shall submit the procedure for granting open access inter alia which shall include all the issues raised by APTRANSCO.

The Comments made by Sri. Venugopala Rao that initiation of proceedings by this Commission Suo-Motu for making/amending regulations based on the Rules/Guidelines/Letters issued by the Government of India (GoI) is in the interest of private capital border insinuation are exceptionable and unwarranted. The instances given by Sri. Venugopala Rao as if to drive home these sweeping allegations are misconceived. The objector seems to be labouring under a misnomer that this Commission is serving the Private Interest as opposed to the interest of Consumers at large. This aspersion is puerile and uncharitable. The instances relied upon by the Objector to substantiate his farfetched view are

wholly irrelevant and out of context. The APERC Regulations in vogue would not be continuing the incentives provided in the solar/wind policy 2015. The incentives provided in the wind power policy and solar power policy 2015 would be applicable only for the projects commissioned during the policy period mentioned in the said government orders. The incentives, if any, provided in the subsequent government wind and solar power policies and their amendments would not have effect as the APERC Regulations did not incorporate the said policies. However, the banking is continued as provided in APERC Regulation 2 of 2006 and its amendments. The Order dated 21.04.2023 of this Commission in OP Nos 3,4,5, 6, and 17 of 2020 made it clear on all these aspects. This objector is in the habit of making past references out of context. He seems to be oblivious of the fact that if an order passed by the Commission is not in accordance with Law or erroneous the aggrieved party can challenge the same before the appropriate forum and it is neither proper nor appropriate for the aggrieved party to keep on raising the before same same forum again and again the alleged deficiencies in the Orders and the so called inadequacies or improprieties in the functioning of the Commission. He should do well to remember that this Commission consists of persons of proven track record and impeccable integrity and honesty and that no external forces could ever influence their decisions. He also seems to ignore the fact that the Commission inter alia is charged with promotion of Co-generation and generation of energy from Renewable source of Energy by providing suitable measures. Therefore, the Suo-motu initiation of proceedings for making regulations in tune with National Tariff Policy (NTP) and Policies of the Government of India from time to time can't be perceived as serving the interest of Private Capital.

Regarding the comments of other stakeholders, it may be noted that co-located plants do not require any open access and hence this Regulation does not apply to them. This Regulation applies only to the plants located in the State of Andhra Pradesh. Accordingly, the Commission proposes to finalise the Regulation balancing the interests of all the stakeholders while the objects of the Electricity Act, 2003 are to be achieved in view.

## **2. DEFINITIONS:**

### **(ii) Clause 2.1. (b): Banking**

#### **Draft.**

*“b. “Banking” means a facility through which the unutilized portion of energy (under utilisation or excess generation over and above the schedule) from any of the three*

---

*renewable sources of energy viz Wind, Solar and Mini Hydel during a billing month is kept in a separate account and such energy accrued shall be treated in accordance with the conditions laid down in this Regulation. ”*

### **Comments received from Stakeholders**

- Limiting the banking for only three sources of RE viz. Solar, Wind and Mini hydel is against the overall philosophy of the Electricity Rules. The Green Energy definition may be in line with clause 2. (1). D of Electricity Rules, 2022 and suggested the definition of Banking as per FoR's Model regulations.
- To include Wind Solar Hybrid projects including RE projects with or without storage as renewable sources of energy for the facility of banking.
- Co-located RE Plants under the purview of banking would enable industries to utilize surplus land available within their factories for RE plant developments.

### **Commission's analysis and decision:**

The Co-located plants do not require open access. The SRT Regulation of APERC would apply to the co-located plants. After examining the other suggestions, the Commission is inclined to modify the definition as below.

*“b. “Banking” means a facility through which the unutilized portion of energy (under utilisation by the consumer or excess generation over and above the schedule by the generator ) from any of the Green Energy Sources during a billing month is kept in a separate account and such energy accrued shall be treated in accordance with the conditions laid down in this Regulation. ”*

### **(iii) Clause 2.1. (f): Entity**

#### **Draft**

*f. “Entity” means any consumer who has contracted demand or sanctioned load of hundred kW or more either through a single connection or through multiple connections aggregating to a hundred kW or more located in the same electricity division of a distribution licensee, except for captive consumers:*

*Provided that in the case of captive consumers, there shall not be any load limitation;*

### **Comments received from Stakeholders**

The three DISCOMS have stated that presently the load limit for allowing Open Access is 1MW. If the Load limit is reduced by 10 times as proposed in the draft, it would exert a lot of constraints on the distribution system which the licensees may not be able to manage. Hence, the minimum load to be eligible to get GEOA

may be changed to 500 KW. That allowing multiple connections aggregating to a minimum load limit poses a lot of threats in terms of energy accounting, settlements, technical constraints in Metering & Billing and implementing energy banking procedures. Hence aggregation of multiple services may not be allowed. That removal of the Load limit in case of captive consumption may not be allowed since even small capacity i.e. below 1 KW individual consumers also get qualified for GEOA, rendering it impossible to operate and it may cause chaotic situations in the network by imposing unmanageable technical constraints. That further installation of RE power plants under captive mode (non-colocated) should be restricted up to the contract demand of the obligated entities so that the existing infrastructure doesn't get overburdened. If GEOA is allowed for more than the CMD with DISCOM, necessary system strengthening/ improvement charges (Service Line Charges and Development Charges) shall be payable by the Consumer.

**Referring to Rules, model Regulation of FoR, FAPCCI and APTMA** have stated that DISCOMs above submissions are an attempt to defeat the objective of the Rules and hence do not warrant consideration.

**APTRANCO** has stated that even though the definition is mentioned in line with Electricity Rules, 2022, the definition should more clearly specify that the entity is about a *scheduled* consumer (or) consumer of distribution licensee (or) OA consumer as defined in Regulation 2 of 2006.

**Commission's analysis and decision:** The proposal to allow the open access of 100 kW of a single connection or multiple connections of the one consumer does not pose any problem to the network as contended by the DISCOMS. Also, it may be noted that as per the present open access regulations of APERC, the OA is being allowed even for less than 1 MW consumers from RE sources. Hence, there is no merit in the stand of the DISCOMS. The entity as per the definition is the consumer of the DISCOMS. However, Open Access shall be permitted to any entity irrespective of the service connection with the DISCOM. The definition is modified as below”

*f. “Entity” means any consumer who has contracted demand or sanctioned load of hundred kW or more either through a single connection or through multiple connections aggregating to a hundred kW or more located in the same electricity division of a distribution licensee, except for captive consumers:*

*Provided that in the case of captive consumers, there shall not be any load limitation;*

---

Provided further that the entity may be without a supply agreement with the DISCOMS.

### **2.1. (i): Green Energy**

#### **Draft**

*“i. “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 may be determined by the Central Government.”*

#### **Comments received from Stakeholders**

**NSEFI and Enfinity Global** have stated that there are multiple uses of Green Hydrogen and Green Ammonia such as the production of e-methanol and others which can be produced at the point of production of Green Hydrogen / Green Ammonia. They requested the Commission to include Green Hydrogen and Green Ammonia derivatives in the definition.

#### **Commission’s analysis and decision:**

The definition is *exhaustive*. This definition shall be read with the definition of *Renewable Sources of Energy*. The Commission is inclined to modify the definition as below to avoid confusion.

*“2. (1) i. “Green Energy” means the electrical energy from renewable sources of energy.*

### **(iv) Clause 2.1. (m): Renewable Sources of Energy**

#### **Draft**

*“m. “Renewable Sources of Energy” means renewable sources of energy such as small hydro, wind, solar, biomass, biofuel, cogeneration (including bagasse-based cogeneration), municipal solid waste and such other sources as recognised and approved by the MNRE or State Government;”*

#### **Comments received from Stakeholders**

As per MNRE OM No.353/35/2022-NT dated 18.08.2023 on "Green Hydrogen Standard for India", "Green Hydrogen" shall mean Hydrogen produced using renewable energy, including, but not limited to, production through electrolysis

---

or conversion of biomass. Hence, Renewable energy also includes electricity generated from renewable sources which is stored in an energy storage system or banked with the grid in accordance with applicable regulations. The Wind-Solar Hybrid may also be mentioned in the above draft for better clarity.

**Commission’s analysis and decision:**

This definition shall be read with the definition of Green Energy. The storage is already included in the definition of Green Energy. However, keeping in view the suggestion, the Commission is inclined to modify the definition as below.

*“m. “Renewable Sources of Energy” means renewable sources of energy such as small hydro, wind, solar, biomass, biofuel, cogeneration (including bagasse-based cogeneration), municipal solid waste, RE Hybrid, hydro, storage (if the storage uses renewable energy) and such other sources/mechanism as recognised and approved by the GoI or State Government.*

**(v) Clause 2.1. (n): Rules**

**Draft**

*“n. “Rules” shall mean the Electricity (Promoting Renewable Energy Through Green Energy Open Access) Rules, 2022;”*

**Comments received from Stakeholders**

**NSEFI and Enfinity Global** have stated that for better clarity “and its amendments” words may be added to the draft.

**Commission’s analysis and decision:**

Keeping in view the suggestion, the Commission is inclined to modify the definition as below.

*“n. “Rules” shall mean the Electricity (Promoting Renewable Energy Through Green Energy Open Access) Rules, 2022 as may be amended from time to time;”*

**(vi) Clause 2.1. (P): Standby Charges**

**Draft**

*“p. “Standby Charges” means the charges applicable to green energy open access consumers towards the standby arrangement provided by the distribution licensee, in case such green energy open access consumers is unable to procure/schedule power from the generating sources with whom they have the agreements to procure power due to outages of the generator, transmission systems and the like;”*



---

**Comments received from Stakeholders**

**The** Standby Charges should be applicable only if there is an outage in the system attributable to the generator. Further, if the generating source is impacted due to Force Majeure events, the standby charges shall not be applicable.

**The** Standby Charges shall not be levied in cases where the Standby arrangement required by the GEOA consumer does not exceed the contract demand.

**Commission’s analysis and decision:**

As long as the Consumer avails power up to the contracted demand with the DISCOMS, the question of standby charges does not arise. The Standby charges are incorporated in the Regulation to address the issue of exigencies of Open Access Users and the consumers may avoid penalties from the DISCOMS for drawing power over and above the CMD by availing the standby option during exigencies. Hence, the stakeholders need not have any apprehensions in this regard. There is no merit in the other suggestion. Hence the draft is retained.

**(vii) Addition of new definitions**

There are suggestions for the addition of new definitions “Green Energy Open Access Consumer”, “Banking Cycle” “User”, “User of GEOA” “Captive Generator”, “Captive Consumer” & “Captive Rules”

**Commission’s analysis and decision:**

As per clause 2 (2) of the draft Regulation, the Words and expressions used and not defined in this Regulation but defined in the Act shall have the meanings assigned to them in the Act. Expressions used herein but not specifically defined in this Regulation or in the Act but defined under any law passed by a competent legislature and applicable to the electricity industry in the state shall have the meaning assigned to them in such law. Hence, the Commission believes that there is no need to add new definitions.

**3. Criteria for allowing GEOA**

**Draft**

*3. Criteria for allowing GEOA*

- i. The long-term GEOA shall be allowed in accordance with the transmission planning criteria and distribution planning code stipulated in the State Grid Code.*
- ii. The Short-Term/Medium-Term open access shall be allowed, if the request can*

*be accommodated, by utilizing*

- a. Inherent design margins*
- b. Margins available due to variation in power flows and*
- c. Margins available due to in-built spare transmission system capacity and/or distribution system capacity created to cater to future load growth;*

**Comments received from Stakeholders**

For Open Access Capacity permission (be it STOA, MTOA or LTOA) within the CMD with the DISCOMS, there should not be any design or system constraint. Accordingly, the Commission may modify the draft.

**Commission's analysis and decision:**

The Commission is inclined to accept the suggestion. Accordingly, the draft is modified as below.

*3. Criteria for allowing GEOA*

- i. The long-term GEOA shall be allowed in accordance with the transmission planning criteria and distribution planning code stipulated in the State Grid Code.*
- ii. The Short-Term/Medium-Term open access shall be allowed, if the request can be accommodated, by utilizing*
  - a. Inherent design margins*
  - b. Margins available due to variation in power flows and*
  - c. Margins available due to in-built spare transmission system capacity and/or distribution system capacity created to cater to future load growth;*

*Provided that the above criteria is not applicable if open access by any consumer is sought within the CMD with the DISCOMS.*

**4. CATEGORISATION OF OPEN ACCESS**

**Draft**

*“4. Categorization of Open Access*

*The open-access consumers shall be classified into the following categories based on the duration of use of the intra-state transmission and/or distribution system:*

- i. Long-term Open Access consumers- persons availing or intending to avail the open access for a period equal to or more than five years.*

- 
- ii. *Medium-term Open Access consumers- persons availing or intending to avail the open access for a period of more than one year and less than 5 years.*
- iii. *Short-term Open Access consumers- persons availing or intending to avail the open access for a period of one year or less.*

*Provided that the short-term open access consumer shall be eligible & re-eligible to obtain fresh reservation on the filing of application after the expiry of his term and subject to availability. Such eligibility shall be on priority fixed on the basis of the date of application.”*

### **Comments received from Stakeholders**

**APTRANSCO** has suggested that in the above clauses the word "open-access consumers" may be replaced as "open-access users". Similarly, the short-term Open Access consumers definition may be modified as persons availing or intending to avail the open access for a period of more than one day to one year or less.

### **The suggestions received from others.**

- Consider Long term Open Access Consumers as, "more than 3 (Three) years" " medium term OA consumers as "Three months and more but less than three years", and Short term OA Consumers who intend to consume green Open Access for "Less than 3 Months". This will serve the interests of "seasonal industries and meet peak product demand.
- The categorization of open access proposed in the Draft regulation conflicts with the existing APERC open access Regulation. The definition of Long Term (Open) Access may be in line with the CERC OA Regulation and also an amendment to the Reg. No. 2 of 2005 may be issued as there is no definition for Medium Term Open Access.

### **Commission’s analysis and decision:**

The users, either generators or consumers availing the open access are called open-access consumers. Hence, it shall be construed accordingly. The definition of short-term open access is the same as suggested by the objectors. The Open Access Regulation, 2005 of APERC is distinct and will co-exist with this Regulation. The draft Regulation is made under Section 86 (1) (e) of the Electricity Act, 2003 and CERC Regulations are not binding. There is no merit in the other suggestion. However, the draft is modified as below:

#### *“4. Categorization of Open Access*

---

*The open-access consumers shall be classified into the following categories based on the duration of use of the intra-state transmission and/or distribution system:*

- i. Long-term Open Access consumers- persons availing or intending to avail the open access for a period equal to or more than five years.*
- ii. Medium-term Open Access consumers- persons availing or intending to avail the open access for a period of more than one year and less than 5 years.*
- iii. Short-term Open Access consumers- persons availing or intending to avail the open access for a period up to one year.*

*Provided that the short-term open access consumer shall be eligible & re-eligible to obtain fresh reservation on the filing of application after the expiry of his term and subject to availability. Such eligibility shall be on priority fixed on the basis of the date of application.”*

## **5. PRIORITY OVER FOSSIL-BASED PLANTS**

### **Draft**

*“5. Priority over Fossil based plants*

*The Green Energy Open Access Consumers shall be given priority over fossil-based open access consumers in connectivity and open access in general and also in case of system constraints and availability of limited transmission/distribution system capacity while granting approval for connectivity or open access.”*

### **Comments received from Stakeholders**

APTRANSCO has suggested changing the Green Energy Open Access Consumers & fossil-based open access consumers as the Green Energy-based generator & fossil-based generators in the above draft.

### **Commission’s analysis and decision:**

The users either generators or consumers availing the open access are called open access consumers and it shall be construed accordingly. Hence, there is no need to modify the draft.

## **6. PREFERENCE AND CURTAILMENT PRIORITY**

### **Draft**

*“6. Preference and Curtailment Priority:*

---

*Among the GEOA consumers, long-term GEOA consumers shall have preference followed by Medium term and short-term, at any given time.*

*Provided that, the decision for allowing the open access shall be on the basis of first come first served.*

*In case of constraints in the transmission system or distribution system, the curtailment priority shall be as follows:*

- a. Short-term open-access consumers other than Green Energy Open Access consumers shall be curtailed first followed by Green Energy Open Access consumers.*
- b. Medium-open-access consumers other than Green Energy Open Access consumers shall be curtailed first followed by Green Energy Open Access consumers.*
- c. Long-term open-access consumers other than Green Energy Open Access consumers shall be curtailed first followed by Green Energy Open Access consumers.*

#### **Comments received from Stakeholders**

**APTRANSCO & APSLDC** have stated that the word "consumers" may be replaced with "generators" because during grid constraints it is common to curtail generation rather than loads.

The suggestions from the other stakeholders:

- RE power for open access shall not be curtailed.
- The draft Regulation is silent on the issue related to the Curtailment Priority for Renewable Energy Sources. It suggested that other than Green Energy Open Access consumers shall be curtailed first followed by GEOA consumers.
- Within the short-term or T-GNA transactions, collective transactions have higher priority over bilateral transactions as per CERC (Indian Electricity Grid Code) regulations, 2023. Referring to Regulation, 49 of CERC (Indian Electricity Grid Code) Regulations 2023 it was suggested to maintain parity & align the draft Regulations with the CERC (Indian Electricity Grid Code), Regulations 2023.

#### **Commission's analysis and decision:**

RE has must run status in despatch by the SLDC and their despatch to the DISCOMS will be curtailed following the curtailment of conventional generators up to technical limits in case of no demand for power or other system exigencies. The

---

draft is regarding the curtailment in general in case of constraints in the transmission system or distribution system regarding open access. APTRANSCO appears to have misunderstood the draft. However, keeping in view the suggestions of other stakeholders, the Commission is inclined to modify the draft as below.

*“6. Preference and Curtailment Priority:*

*Among the GEOA consumers, long-term GEOA consumers shall have preference followed by Medium term and short-term, at any given time.*

*Provided that, the decision for allowing the open access shall be on the basis of first come first served.*

*In case of constraints in the transmission system or distribution system, the curtailment priority shall be as follows:*

- a. Short-term open-access consumers other than Green Energy Open Access consumers shall be curtailed first followed by short term Green Energy Open Access consumers. Further, the GE open access consumers under the temporary connection agreement shall be curtailed first followed by permanent connection. Also, bilateral transactions shall be curtailed first followed by collective transactions under the day-ahead market followed by collective transactions under the real-time market.*
- b. Medium-open-access consumers other than Green Energy Open Access consumers shall be curtailed first followed by Medium term Green Energy Open Access consumers.*
- c. Long-term open-access consumers other than Green Energy Open Access consumers shall be curtailed first followed by Long term Green Energy Open Access consumers.*

## **7. ELIGIBILITY CRITERIA FOR GREEN ENERGY OPEN ACCESS**

### **Draft**

*“Subject to the provisions of this Regulation and system availability, all the entities shall be eligible to take power through Green Energy Open Access.*

*Provided further that such entities, having been declared insolvent or bankrupt or having outstanding dues against them for more than two months billing of the distribution/transmission licensee or having a case of unauthorized use of electricity/theft of electricity pending against them at the time of application, shall not be eligible for open access.”*

---

**Comments received from Stakeholders**

APTRANSCO & APSLDC have suggested to add the *(generator and consumer) after dues in the above draft.*

**Reliance Industries Limited** has requested clarity regarding eligibility criteria for *availing* Green Energy Open Access by third-party/captive Consumers. **SICMA & FAPCCI** have stated that India follows an Adversarial Justice System, wherein the accused is considered innocent until proven guilty. In addition, even to be convicted for the offence of theft of electricity, section 135 of the EA, 2003 mandates proving of guilty mind or mens rea. Accordingly, an entity shall not be considered ineligible to avail the facility of Green Energy Open Access when the proceeding in respect of alleged offences such as theft/ unauthorized use of electricity is still pending or the non-payment of outstanding dues itself has been contested by the entity. The ineligibility shall only flow in the face of a final conviction. Also, the above-mentioned is in concurrence with the draft provisions relating to insolvency/ bankruptcy, wherein ineligibility will persist only if the entity has been declared insolvent/bankrupt by the Court of Law and not merely due to a fact that it is undergoing Corporate Insolvency Resolution Process. This is because there may be a situation of revival/settlement which shall not make the entity ineligible to avail Green Energy Open Access.

**Amplus Energy Solutions Private Limited** has stated that the draft has not provided clarity regarding the nature of outstanding dues, and whether they should be disputed or undisputed. Hence, it suggested that the entities with undisputed outstanding dues exceeding two months' billing of the distribution/transmission licensee should not be allowed to apply for GEOA.

**Indian Wind Power Association** has requested to consider granting deemed Open Access to the projects which have to receive outstanding dues for more than two months billing from the distribution/transmission licensee under PPAs. This would help these projects to sell their power under Open Access.

**Commission's analysis and decision:**

The Green energy open access can be availed by any consumer/generator for third-party sale or captive use. The PPAs can not be tampered with the present Regulation by granting deemed open access to the generators who have to receive outstanding dues for more than two months of billing from the distribution/transmission licensee. Having examined the other suggestions, the Commission is inclined to modify the clause as below.

---

*“Subject to the provisions of this Regulation and system availability, all the entities shall be eligible to take power through Green Energy Open Access for third-party sale or captive use from any Green energy generator.*

*Provided that such entities or generators, having been declared insolvent or bankrupt or having undisputed outstanding dues against them for more than two months billing of the distribution/transmission licensee or having a case of undisputed unauthorized use of electricity/theft of electricity pending against them at the time of application, shall not be eligible for open access.*

*Provided further that any entity/generator which is revived through the Resolution process of NCLT or any other law would also be eligible for open access.”*

## **8. NODAL AGENCY, THE PROCEDURE FOR GRANTING GREEN ENERGY OPEN ACCESS:**

### **Sub-clauses 8(1) and 8(2)**

#### **Draft**

*“8(1) Andhra Pradesh State Load Despatch Centre (APSLDC) shall operate as the State Nodal Agency (SNA) for short-term green energy open access.*

*8(2) The State Transmission Utility (STU) shall operate as the State Nodal Agency (SNA) for the grant of long-term and medium-term term green energy open access.”*

#### **Comments received from Stakeholders**

**Ushodaya Enterprises Private Limited & APTMA** have stated that APSLDC is part of APTRANSCO i.e. STU. Therefore, there exists a clear conflict of interest with a consumer seeking GEOA. They suggested that a Committee be formed under the aegis of APERC with members from STU, SLDC and industry bodies. It was further suggested that the Time frame to approve /reject an application be fixed as a maximum of Thirty days (30 days) from the time of e-registration of a standardised application.

#### **Commission’s analysis and decision:**

The SLDC and STU have separate statutory functions under sections 32 and 39 of the Electricity Act, 2003 respectively. As per this Regulation, all disputes and complaints shall be referred to the Nodal Agency for resolution. Provided that when the Nodal Agency is itself a party to the dispute, the dispute shall be referred to for resolution to the Consumer Grievances Redressal Forum (CGRF). Provided further that in case of open access of power from the generating plants, the dispute shall be adjudicated upon by the Commission. Hence, there need not be any



---

apprehension in this regard. Accordingly, there is no requirement for a Committee as suggested. The timelines will be stipulated in the procedure to be approved by the Commission after the receipt of the proposals from STU and SLDC to comply with the present regulation. Hence, the draft is retained.

**(viii) Sub Clause 8(4):**

**Draft**

*(4) The applications received directly or through the Central Nodal Agency by the State Nodal Agency (SNA) shall be processed as per the procedures and formats devised by SNAs. The SNAs shall develop detailed procedures, and timelines for green energy open access and submit the same to the Commission within 30 days from the date of notification of this Regulation in the Gazette. The procedures and the timelines shall be devised to the extent possible in consonance with the procedures notified by the central agency, and the Green Energy Open Access Rules.”*

**Comments received from Stakeholders**

**SICMA & FAPCCI have requested** a ceiling timeline in the Regulation so that the overall objective of the Rules is safeguarded. They further requested approval of the procedure by undertaking a Public consultation process so that the grassroots-level issues associated with the Green Energy Open Access are nipped in the bud. Some of the stakeholders also requested timelines for approval of open access or denial of open access. **Amplus Energy Solutions Private Limited** stated that the procedures and formats of Open Access Regulation 2005 may be allowed to be used for GEOA until the Commission notifies such procedures/ formats exclusively for GEOA to give immediate effect to the Regulation from the date of publication in the Gazette.

**Commission’s analysis and decision:**

The timelines that are specified in the Green Energy Open Access Registry are to be followed by STU or SLDC in granting Green Energy Open Access. The draft already specified that the procedures to be prepared by the STU or SLDC shall be inconsistent with the procedures notified by the central agency, and the Green Energy Open Access Rules. Hence, there is no requirement for a public consultation process to approve the procedures and timelines. To give immediate effect to the GEOA regulations after notification in the Gazette, the Commission is inclined to put in place the existing procedures under Open Access Regulation 2005 of APERC as an interim measure till it finalises the specific procedures and timelines for GEOA. However, the timelines in the procedures notified by the

---

central agency, and the Green Energy Open Access Rules would prevail over the timelines specified in Regulation 2005 of APERC. The procedure specified for LTOA may also be followed for MTOA.

Accordingly, the draft is modified as below.

*(4) The applications received directly or through the Central Nodal Agency by the State Nodal Agency (SNA) shall be processed as per the procedures and formats devised by SNAs. The SNAs shall develop detailed procedures, and timelines for green energy open access and submit the same to the Commission within 30 days from the date of notification of this Regulation in the Gazette. The procedures and the timelines shall be devised to the extent possible in consonance with the procedures notified by the central agency, and the Green Energy Open Access Rules. However, the existing procedures under Open Access Regulation 2005 of APERC in the interim shall be followed in granting GEOA till the Commission finalises the specific procedures and timelines for GEOA. Further, the timelines in the procedures notified by the central agency, and the Green Energy Open Access Rules would prevail over the timelines specified in Regulation 2005 of APERC. The procedure specified for LTOA may also be followed for MTOA”*

**Accordingly, clause 1 (ii) of the draft is also modified as below.**

*ii. This Regulation shall come into force from the date of its publication in the Andhra Pradesh State’s Gazette.*

## **9. CONNECTIVITY AND ENERGY SETTLEMENTS**

### **Draft**

*The connectivity for all new green energy generators shall be granted as per the provisions of APERC Regulation on Power Evacuation from Captive Generation Co-generation and RE Source Power Plants (Regulation 3 of 2017). The Energy Settlements of all the intra-state Green Energy Open Access of Generators/ Consumers shall be done as per Regulation 2 of 2006 and its amendments from time to time. The Energy settlements of interstate transactions shall be done as per CERC Regulations. The Deviations of Wind and Solar Generators’ schedules shall be settled as per CERC DSM Regulations, 2022 till the Commission issues a comprehensive Regulation in this regard.*

### **Comments received from Stakeholders**

**The three DISCOMS have** stated that settlements of Green OA transactions of all existing & upcoming users are to be done as per the prevailing Regulation 2 of 2006 and its amendments. This Regulation is expected to result in overlapping of

---

settlement procedures between Interim Balancing & Settlement Code (IBSC) Regulation 2 of 2006 and its amendments and Green Energy Open Access Regulations, particularly in the process of treatment and settlement of Banked Energy.

**The suggestions from the other stakeholders are:**

- Regulation 2 of 2006 (Interim Balancing & Settlement Code for Open Access Transactions) provides for apportionment of the actual generation during the month. This practice would lead to significant energy loss for non-continuous process plants that do not operate round the clock. Moreover, the settlement of energy on a 15-minute time block basis as per actual generation and actual consumption is prevalent almost in all the other states.
- Energy settlements shall be concluded on a month-on-month basis as the existing system is prolonged over a financial year.
- Proper explanation shall be provided regarding the billing adjustment process in case of consumers having multiple points of connections aggregating the total capacity of equal or greater than 100kW.
- A separate regulation for the settlement of GEOA energy and the plants commissioned on or after this regulation comes into effect may be issued. The banking facility is annual for the existing generators whereas the banking facility is monthly for projects coming under GEOA.
- As per the CERC (Connectivity and General Network Access to the inter-State Transmission System) Regulations, 2022, it is not required to specify the exact injection point while availing GNA with limitation to keep total drawal within the GNA allowed. The said provision provides flexibility to consumers to procure power from different sources during different time blocks and also in turn enable optimal utilisation of the system. Similarly, in line with the GNA Regulations, similar provisions may be introduced while finalising the Draft APERC (Green Energy Open Access, Charges and Banking) Regulations, 2023. This would enable consumers to procure power under open access from different RE sources during time periods without having to avail of multiple Open Access and pay multiple Open Access charges. This would promote adoption of Open Access by larger consumers thereby promoting competition in the electricity market and would also align the State Regulations with Hon'ble CERC Regulations.

**Commission's analysis and decision:**

There is no overlapping of the Regulations as opined by the DISCOMS. This Regulation supersedes all the earlier Regulations/Stipulations/Guidelines/Directions issued by the Commission in the matter of Open Access to Green Energy as per clause 1(v). The Energy Settlements of all the intra-state Green Energy Open Access of Generators/Consumers shall be done as per Regulation 2 of 2006 and its amendments from time to time. But the banking conditions and banking energy accounting shall be done as per this Regulation. The suggestion regarding GNA will be examined while framing the GNA Regulation in due course of time. Keeping in view of all suggestions, the draft is modified as below.

*“The connectivity for all new green energy generators shall be granted as per the provisions of APERC Regulation on Power Evacuation from Captive Generation Co-generation and RE Source Power Plants (Regulation 3 of 2017). The Energy Settlements of all the intra-state Green Energy Open Access of Generators/Consumers shall be done as per Regulation 2 of 2006 and its amendments from time to time. All the GEOA generators’ energy shall be settled in 15 minutes block-wise based on the day ahead schedule. Wherever, the capacities are small and difficult to implement the 15-minute block-wise schedule, in all such cases the actual generation from the Green Energy Generator during the month shall be deemed as Scheduled Energy. For the purpose of settlement in respect of scheduled/QA consumers availing supply from these OA GE Generators, the actual generation during the month will be apportioned for each time block. of the month if ToD billing is applicable for consumers and deviations reckoned accordingly. If ToD billing is not applicable, the actual generation from the Green Energy Generator during the month shall be deemed as Scheduled Energy and the same shall be accounted for settlement of energy with such consumers. However, in all cases, the banking shall be done as per this Regulation. The Energy settlements of intra state RE generators for interstate transactions shall be done as per CERC Regulations. The Deviations of intra state Wind and Solar Generators’ schedules for interstate transactions shall be settled as per CERC DSM Regulations, 2022 till the Commission issues a comprehensive Regulation in this regard.*”

---

**10. TREATMENT FOR EXISTING ENTITIES****Draft**

*The existing consumer(s)/generators shall continue to avail the open access as per the existing agreements or government policy for the period specified in those agreements or policies, to the extent they are not inconsistent with the Act.*

*Provided that the existing consumers/generators shall continue to pay the applicable charges as specified in their respective agreements.*

*Provided further that RE open access for the subsequent period in respect of such consumer/generator shall be governed by provisions of this Regulation, including any renewal after the completion of the initial period of existing agreements.*

**Comments received from Stakeholders**

The three DISCOMS have stated that the existing OA Agreements involving Green Energy shall need to be migrated and aligned to the new GEOA regulation, once it comes into force. However, any kind of incentives accorded in different GoAP policies shall be continued to be extended to the Consumers as envisaged in such policies, subject to approval of the Hon'ble Commission. That as far as Green Energy Open Access Transactions are concerned, the Energy settlements shall be carried out as per the new GEOA Regulation. On this DISCOMS' suggestion, **FAPCCI** stated that the draft Regulation is amply clear on this subject and it must be noted that the incentives would apply to existing consumers as per the Govt. Policy in force affecting such contracts and subjecting such Govt. Policies to the Hon'ble Commission's approval is a redundant exercise and merits no consideration.

**APTRANSCO & APSLDC** have requested clarification for the subsequent period in the existing agreements regarding the applicability of conditions specified in this regulation as per the 2nd proviso of the aforesaid clause.

**The suggestions from the other stakeholders**

- In the case of projects commissioned before the notification of the GEOA regulations, they shall be permitted to renew the agreements on the same terms of the banking, irrespective of the date of commissioning. Only new projects commissioned after the notification of GEOA regulations shall be brought under the purview of GEOA regulations.
- Any entity which has any additional power consumption requirement should be allowed to avail of Green Energy Open Access corresponding to such

---

additional requirement under these Green Energy Open Access Regulations in addition to the prevailing open access facility it has.

**Commission's analysis and decision:**

The Commission is not inclined to consider the request of the DISCOMS as it would tantamount to tinkering with existing agreements. The Commission is also not inclined to permit the renewal of the agreements with the same terms of banking. However, the Commission is inclined to consider the suggestion of additional OA capacity of existing OA GE users to be allowed under the present Regulation. After completion of the term of the existing agreement, the renewal if any, shall be based on the mutual agreement of the parties to the agreement. Accordingly, the draft is modified as under.

*The existing consumer(s)/generators shall continue to avail the open access as per the existing agreements or government policy for the period specified in those agreements or policies, to the extent they are not inconsistent with the Act.*

*Provided that the existing consumers/generators shall continue to pay the applicable charges as specified in their respective agreements.*

*Provided that Green Energy open access for the period after the expiry of the existing agreement period in respect of such consumer/generator shall be governed by the provisions of this Regulation.*

*Provided further that the existing OA consumer(s) may avail any additional power through Green Energy Open Access under the present Regulation.*

**11. METERING**

**Draft**

*"11. Metering: Metering shall be done in accordance with provisions of CEA (Installation and Operation of Meters) Regulations 2006 as amended from time to time."*

**Comments received from Stakeholders**

**APTRANSCO & APSLDC** have stated that the clause "metering arrangement & energy accounting" in APERC Regulation 3 of 2017 (Power Evacuation from captive Generation, Co-generation and RE source plants) & APERC Practice Directions No. APERC/1/2015, Dated:29-01-2015, and its amendment dt:05.02.2016, may be added additionally to the draft as these directions/regulation were issued referring the said CEA regulations.

---

**The suggestions from the other stakeholders**

- To revisit the metering requirements for such last mile-consumers as the cost of ABT meters will be a deterrent to opt for Green Energy Open Access.
- The current methodology is to have a Main Meter, Check Meter and Stand by Meter with all CTs/PTs etc. The cost of meter will be so prohibitive that it would not encourage consumers to opt for GEOA. Therefore, alternate and simpler solutions without compromising on the accuracy of meters may be examined.
- To allow the use of existing TOD/Smart meters for the purpose of open access particularly for the consumers having load below 1 MW.

**Commission’s analysis and decision:**

All the meters to be installed shall comply with the Regulation issued by CEA under section 55 of the Electricity Act, 2003. Based on the above Regulation, the Commission has issued some practice directions and Regulations and hence the same are to be complied with as brought to this Commission’s notice by the APTRANSCO and SLDC. The other suggestions are not in line with the Metering Regulation of CEA and hence the same are rejected. Accordingly, the draft is modified as below.

*“11. Metering: Metering shall be done in accordance with provisions of CEA (Installation and Operation of Meters) Regulations 2006 as amended from time to time. Further, the practice directions and the Regulations issued by this Commission in accordance with the metering Regulations of CEA shall also be complied with. Until the Commission issues practice directions on open access consumer metering, the GEOA may be granted with the existing meters for consumers.*”

**12. CHARGES TO BE LEVIED FOR GREEN ENERGY OPEN ACCESS:**

**Clause 12(a)**

**Draft**

*“a) Transmission charges: Transmission charges as applicable, and determined by the Commission in accordance with APERC (Terms and Conditions for Determination of Transmission Tariff) Regulation, 2005 and its amendments from time to time.”*

**Clause 12(b):**

**Draft.**

*“b) Wheeling charges: Wheeling charges as applicable, and determined by the Commission in accordance with APERC ( Determination of Tariff for Wheeling and*

### **Comments received from Stakeholders**

Several suggestions have been received on Transmission charges and Wheeling charges. There were requests to fix 50 per cent charges for GEOA, and 100 per cent waiver of charges. Some stakeholders have requested to compute the charges on a per unit basis as the present charges being collected are per kW/kVA/month. They have also quoted FOR model Regulation in this regard. The stakeholders of the Consumer public have requested not to impose any burden on them due to the open access to GE.

### **Commission’s analysis and decision:**

The transmission charges and Wheeling charges are being determined as per the extant Regulations issued by the Commission from time to time. Accordingly, the same was mentioned in the draft and as there is no exemption or concession on these charges to GEOA, there will not be any burden on the general consumer public. The draft is modified as below to provide further clarity.

*“a) Transmission charges: Transmission charges as applicable, and determined by the Commission in Multi-Year Tariff Orders for the relevant period in accordance with APERC (Terms and Conditions for Determination of Transmission Tariff) Regulation, 2005 and its amendments from time to time shall be paid by the GEOA consumers.”*

*“b) Wheeling charges: Wheeling charges as applicable, and determined by the Commission in Multi-Year Tariff Orders for the relevant period in accordance with APERC (Determination of Tariff for Wheeling and Retail Sale of Electricity) Regulation, 2005 and its amendments from time to time shall be paid by the GEOA consumers.”*

### **Clause 12(C):**

#### **Draft.**

*“c) Cross subsidy Surcharge; As applicable, and determined by the Commission in Retail Supply Tariff Order from time to time or any other order of the Commission.”*

### **Comments received from Stakeholders**

Several suggestions have been received. The gist of them is that only 50 per cent of applicable CSS shall be collected from GEOA and it shall not exceed 20% of the average cost of purchase of Renewable Energy power. Also that it is unfair to levy a Cross Subsidy Surcharge on HT consumers who are already paying tariffs with



---

high Cross Subsidy and whereas the stakeholders of consumers public opposed concessions to GEOA.

**Commission’s analysis and decision:**

As per Section 42 (2) of the Electricity Act, 2003, open access shall be allowed on payment of a surcharge in addition to the charges for wheeling as may be determined by the State Commission. Hence, the Commission is not inclined to grant any exemption or concession in this regard and however, the draft is modified as below to provide clarity:

*“c) Cross subsidy Surcharge as applicable, and determined by the Commission in Retail Supply Tariff Order from time to time or any other order of the Commission shall be paid by the GEOA consumers.”*

**Clause 12(d):**

**Draft.**

*“d) Standby charges wherever applicable: The Standby Charges shall be 120% of the normal tariff (for both demand and energy) of the consumer category without any penalty for exceeding the CMD to the extent of open access demand when there is no notice from the parties concerned. If there is any notice to the DISCOMS from the parties concerned on this aspect, if such period of standby arrangement exceeds 72 hours or more from the time of notice, the Standby Charges shall be 120% of the normal tariff on energy or the maximum tariff of energy purchased from the exchanges/market (during the standby period), whichever is higher is applicable.”*

**Comments received from Stakeholders**

The three DISCOMS have stated that the tariff provided in the draft is not sufficient as Standby support to GEOA consumers is required in exigencies when their Generator goes out of bars. The DISCOMS can not and would not anticipate such exigencies and shall keep certain reserves to provide stand-by *support* in their power planning on a Real-time/ Day ahead/Week ahead or Month ahead basis. Therefore, the charges shall be specified as 200% of Normal Charges (Demand/Fixed, Energy) of the relevant category under which the consumer is classified.

**The suggestions from the other stakeholders**

Several suggestions and objections have been received. Many stakeholders opposed the DISCOMS’ suggestion. The objections/suggestions in brief are as

below.

- The draft is not in line with MoP Rules and FoR Regulations in this regard.
- the standby charges can be limited to 120% of the tariff only rather than linking it to the market price
- There shall not be demand charges
- The Standby Charge shall not be applicable, if the Green Energy Open Access Consumer(s) have given notice at least a day in advance before the closure time of the Day Ahead Market. If the Standby arrangement exceeds 72 hours, the Standby Charges shall be 125% of the energy charges applicable to the consumer tariff category.
- The Standby charges for consumer consuming power for the production of Green Hydrogen / Green Ammonia shall be equal to the normal tariff (for both demand and energy) of the consumer category without any penalty for exceeding the CMD to the extent of open access demand.
- The standby charges on energy & demand shall not be applicable till the consumers do not exceed their CMD with the DISCOM.
- This is an unfair condition. The Standby Charges should not exceed the average cost of all power purchases in a promotional regulation.
- The standby tariff determination process may be taken up in the Tariff Order to be issued. Hence, advised to modify the draft that the Standby tariff is applicable as per the tariffs determined by the Commission along with terms and conditions as approved in the relevant tariff Orders or any other order.
- The DISCOMs are insisting on providing a Letter of Credit (LC) towards Standby charges without providing Standby service in existing OA agreements. The same may be addressed at an appropriate place.
- The details and methodology have to be made transparent for the stand-by charges payable with an illustrative example so that HT consumers can understand and respond in case they opt for green energy.

**Commission's analysis and decision:**

As long as the Consumer avails power up to the contracted demand with the DISCOMS, the question of standby charges does not arise. The Standby charges are incorporated in the Regulation to address the issue of exigencies of Open Access Users and the consumers may avoid penalties from the DISCOMS for drawing the power over and above the CMD by availing the standby option during exigencies as opined earlier in this Order. As DISCOMS would not anticipate such exigencies, all such standby power requirements for OA consumers shall be charged appropriately. Hence, this condition is not unfair and also can not be

---

compared with the average power purchase cost. The DISCOMS shall not insist on LC wherever the standby service is not required by OA consumers. Further, the Rules and FoR model regulations are only for guidance and not binding on the Commission as this Regulation is being issued exercising the powers conferred on it under section 86 (1) (e) of the Electricity Act, 2003. The Commission is also of the opinion that linking the standby charges to the market prices is more appropriate as it is a contingency and to ensure that there shall not be any burden on the other category of consumers because of such arrangements. To have better clarity, the draft is modified as below.

*“d) Standby charges wherever applicable: The Standby Charges shall be 120% of the normal tariff (for both demand and energy) of the consumer category without any penalty for exceeding the CMD when there is no notice from the parties concerned. MD charges shall be based on the RMD recorded in the meter for exceeding over the CMD and the charges for the energy are based on the energy corresponding to the open access demand. If there is any notice to the DISCOMS from the parties concerned on this aspect if such period of standby arrangement exceeds 72 hours or more from the time of notice, the Standby Charges shall be 120% of the normal tariff on energy or the maximum tariff of energy purchased from the exchanges/market (during the standby period), whichever is higher is applicable and whereas the charges within 72 hours from the notice shall be limited to only 120 percent of the normal tariff on energy. Further, the LC is not applicable, if the GEOA consumers do not opt for standby arrangement with the DISCOMS. Wherever standby arrangement is requested, the LC for three days of the open access consumption may be obtained”*

**Clause 12(g):**

**Draft**

*“g) Scheduling and Deviation settlement charges: Till the Commission issues a comprehensive Regulation on Deviaion settlement, the charges shall be collected as per the CERC DSM Regulations, 2022 and its amendments from time to time.”*

**The gist of the Comments received from Stakeholders**

- The Commission may initiate proceedings for the comprehensive regulation as stated in clause 12 (g) in the interest of regulatory certainty. The provision to levy these charges as per DSM Regulations of CERC in the meantime, may be omitted as the seasonal aspects and extent of deviations may vary from State to State and require separate treatment.

- Already WEGs are providing forecasts and schedules and are paying the deviation charges for the deviation. Hence this shall be made applicable only for interstate transactions connected to intra-state transmission or distribution networks.
- Any over-injection beyond the limits specified (presently revised to 10% against the Order in OP 26 of 2023, dated 21.09.2023) may be considered for banking or compensated instead of treating it as inadvertent power.

**Commission’s analysis and decision:**

The DSM charges are being collected to ensure the Grid stability and hence the Commission is inclined to retain the draft. As regards framing of DSM Regulations, the Commission would frame the same in due course.

**Clause 12(h):**

**Draft.**

*“h) Reactive Energy Charges: The Green Energy Open Access consumer shall pay for the reactive energy in accordance with provisions of the State Grid Code notified by the Commission. If the Commission has not specified rates in the State Grid Code, the rates specified in CERC (Indian Electricity Grid Code) Regulations shall be applicable.”*

**Comments received from Stakeholders**

The three DISCOMS have stated that the Draft Regulation casts responsibility of payment of Reactive Energy charges on the Consumer. As per Grid Code, Generators and Drawee entities are required to pay reactive energy charges for the transfer of reactive energy (Lag or Lead). It is difficult to assess the transfer of reactive energy compared to the Voltage level at the Bus at the Consumer end to levy reactive charges. In view of this, the reactive energy charges shall be exclusively specified by the Commission from time to time. Initially, 50 paise / Unit (reactive) may be specified as Reactive Energy charges. Regarding the submissions of the DISCOMS, FAPCCI & APTMA have stated that the DISCOMS’ claim of Reactive energy charges is arbitrary and not based on any established methodology adopted by CERC/ SERCs. The FAPCCI has stated that the draft Regulations adequately cover for the Rate and applicability of Reactive Energy charges. In the absence of relevant provisions in the State Grid Code, CERC Grid Code needs to be relied upon. The CERC in the Grid Code 2023 has approved the Reactive energy charges at 5 paise/ kVarh. *This rate shall be escalated at 0.5 paise/kVarh per year thereafter unless otherwise revised. The other stakeholders have stated that the*

---

reactive energy charges are not mentioned in the Rules and hence, the same may not be made applicable on Green Open Access Transactions.

**Commission's analysis and decision:**

The Reactive energy charges are intended to be collected from GE sources to maintain the voltage levels in Grid at different points as per the Grid Standards Regulations/Grid Code. The consumers being billed based on kVARh need not pay reactive charges. From other consumers, the Reactive charges shall be collected as per the RST Order issued by the Commission from time to time. Keeping this in view, the draft is modified as below:

*“h) Reactive Energy Charges: The Generators availing of Green Energy Open Access shall pay for the reactive energy in accordance with provisions of the State Grid Code notified by the Commission. If the Commission has not specified rates in the State Grid Code, the rates specified in CERC Regulations/Orders shall be applicable.”*

**(ix) Clause J:**

**Draft.**

*“j) The processing fee for Green Energy Open Access under Long and Medium-term shall be Rs.1,00,000 and Rs.25,000 for the short-term.”*

**Comments received from Stakeholders**

**APTRANSCO & APSLDC** have stated that the processing fee for Long Term Open Access Applications was fixed by the Commission way back in the year 2005 as Rs.10,000/- Therefore, they suggested the Long Term Open Access Application Processing fees as Rs.2,00,000/-(Rupees Two Lakhs) + GST, Rs.1,00,000/-(Rupees One Lakh) + GST for Medium-term, Rs.50,000 + GST for short term on par with other states. Contrary to this, all the stakeholders have requested to reduce the fees in one or the other way. APTMA has requested for refund of the fee if the application for OA is rejected.

**Commission's analysis and decision:**

The Application fee is non-refundable. After examination of the APTRANSCO's submissions, the Commission is inclined to modify the draft as below:

*“j) The processing fee for Green Energy Open Access under Long-term, Medium-term and short-term shall be Rs.1,50,000, Rs.1,00,000 and Rs.50,000 respectively.”*

**Clause 12(k):**

**Draft.**

*“k) In addition to the above, any Other Charge may be levied as decided by the Commission.”*

**Comments received from Stakeholders**

Some stakeholders have sought clarity of the other changes as all the applicable charges are already covered in the regulation. Hence, requested the Commission to delete the same.

**Commission’s analysis and decision:**

It is a general clause in the Regulation and hence the same is retained.

**13. CROSS SUBSIDY SURCHARGE AND ADDITIONAL SURCHARGE:**

**Draft**

*“13. Cross Subsidy Surcharge, and Additional Surcharge: The Cross Subsidy Surcharge, and Additional Surcharge shall be determined as per the provisions of the Electricity Act, 2003 and the National Tariff Policy notified by the Central Government under the Act.*

*Provided that cross subsidy surcharge and additional surcharge shall not be leviable in case open access is provided to a person who has established a captive generating plant for carrying the electricity to the destination of his own use. The captive status of the consumer shall be determined based on the Electricity Rules notified by the Government of India.*

*Provided also that cross subsidy surcharge and additional surcharge shall not be applicable in case power produced from a non-fossil fuel-based Waste-to-Energy plant is supplied to the Open Access Consumer.*

*Provided also that an additional surcharge shall not be applicable in case electricity is produced from offshore wind projects, which are commissioned up to December 2032 and supplied to the Consumers under open access.*

*Provided also that Cross subsidy surcharge and additional surcharge shall not be applicable if green energy is utilized for the production of green hydrogen and green ammonia.”*

**Comments received from Stakeholders**

- The State Commissions are mandated u/s 42(2) (3rd Proviso) to specify the trajectory for progressive reduction of Surcharge and Cross Subsidies, but this mandate is not being implemented in many States. The GEOA consumers may be spared from the levy Cross Subsidy Surcharge in the interest of promoting Renewable Energy Sources in the State.
- In any case, Additional Surcharge is a contentious issue. The Commission may take a view whether the Additional Surcharge is leviable when the transmission/wheeling charges and Fixed / Demand Charges are being recovered in full. If however the Additional Surcharge is leviable, appropriate reliefs may be provided for GEOA consumers in this Regulation in the interest of promoting Renewable Energy Sources.
- To promote green energy in the state, both CSS and AS should be waived off for 3<sup>rd</sup> party transactions.
- Requested for aligning the draft with Rules.

#### **Commission's Analysis and Decision.**

The CSS and AS are determined following the provisions in the Electricity Act, 2003 and the NTP. The Commission is not inclined to grant any exemption or concession to GEOA on these aspects so as to balance the interests of the consumers at large and hence the draft is retained.

#### **14. BANKING**

*Banking: No generator other than the Wind, Solar and Mini Hydel power generators shall be allowed the facility of banking which shall be subject to the following conditions.*

*(1) The Banking shall be on a monthly billing cycle basis. The banked energy shall be utilized within the same billing cycle failing which the unutilized energy at the end of the billing cycle shall lapse, and no compensation whatsoever shall be claimed/paid for such lapsed banked energy.*

*(2) The Banking charges in kind shall be 8% of the energy banked at the consumer end.*

*(3) The permitted quantum of banked energy by the Green Energy Open Access consumers shall not be more than thirty percent of the total monthly consumption of electricity from the distribution licensee by the consumers.*

*(4) The banking and drawal shall be allowed throughout the billing cycle. However, the drawal of banked energy during the peak load hours as mentioned in the ToD*

---

*approved by the Commission in the Retail Supply Tariff Orders shall be charged 12 per cent in kind of banked energy.*

*Provided further that the drawal of banked energy during the peak load hours as mentioned in the ToD approved by the Commission in the Retail Supply Tariff Orders shall not be permitted if R&C measures are in force.*

*(5) The banking will be counted on a daily basis for the purpose of a monthly account.*

*(6) Settlement of open-access energy at the consumer end shall be in the following order of priority:*

*a) RE generation after deduction of losses.*

*b) Captive Power*

*c) Banked Energy*

*d) Open Access Power through Exchange / Bi-lateral transactions*

*e) DISCOM's power*

*(7) The energy accounts of all banking transactions shall be maintained by SLDC. Model illustrations of energy and banking settlement for different scenarios shall be placed on its website for easy understanding by various stakeholders.*

### **Comments received from Stakeholders**

#### **Several suggestions and objections have been received.**

The three DISCOMS have stated that the drawal of banked energy shall not be permitted in peak ToD blocks as specified in the RST Orders from time to time and seek further clarity on settlement of banking energy. APTRANSCO and three DISCOMS have also requested for a change of order of the priority of different categories of open access while settlement. APTRANSCO & APSLDC suggested the Settlement of open-access energy at the consumer end in the following order of priority:

a) RE generation after deduction of losses

b) Captive Power/Third party (other than RE)

c) Banked Energy

d) Open Access Power through Exchange / Bi-lateral transactions

e) DISCOM's power



---

Settlement of open-access energy for the Generator shall be in the following order of priority:

a) Open Access Power through intrastate consumer transactions - 1st priority

b) Open Access Power through Exchange / Bi-lateral transactions - 2nd priority

The three DISCOMS have stated that the settlement preference shall be other sources first followed by RE sources. FAPCCI supported the same. Some others also suggested different priorities for settlement.

APTRANSCO & APSLDC further suggested that the Banking Cycle from 1st to 30th/31st of the month.

The FAPCCI & APTMA have strongly opposed the DISCOMS' submissions for not permitting the drawal of banked energy during peak hours. The suggestions in brief from other stakeholders are as below.

- One day may be permitted to consume energy banked in the last day of a month during the first day of the subsequent month.
- The un-utilised surplus banked energy at the end of each banking cycle shall be given Renewable Energy Certificates to the extent of the lapsed banked energy as per MoP rules.
- The unutilized banked energy at the end of the FY may be considered as deemed purchase by the Discom at APPC rate approved by the Commission.
- There is inconsistency between the Rules and the draft regulation on banking.
- Banking should be applicable for the period of 25 Years from the COD of the Captive Project.
- Intent of the Rules is that the banking not necessarily be restricted to monthly basis and can be extended for the year or any other period as deemed appropriate by the Hon'ble Commission and accordingly, may allow annual banking as was allowed at present.
- Discom should purchase surplus power at the average tariff discovered under the competitive bidding in the preceding 6 months.
- Banking should be permitted to all renewable source of energy as mentioned in Rules of 2022.
- Quantum of banked energy should be allowed up to 50% of the total monthly consumption of electricity from distribution licensee. Also, in arriving at total monthly consumption of electricity from distribution licensee, the electricity obtained through open access, during the month to be added..

- To adopt the methodology suggested by FoR and allow the energy banked during off-peak TOD slots shall be permitted to draw during peak TOD slot by paying additional 2% banking charges.
- It appears that the Rules and draft regulation, especially in the matter of Banking conditions and other Charges etc, would be detrimental to the objective sought to be achieved through the said Rules and this Regulation.
- There is a contradiction between clause 14(3) of Draft Regulation and Clause 8(2) of Electricity Rules, 2022. The draft regulation has a provision of a MAXIMUM 30% of the consumption from the DISCOM for Banking, whereas the MoP rule 8(3) has a provision for a minimum banking of 30% of consumption from DISCOM.
- *The Banking shall be allowed to RE generator/consumer from within the State as well as ISTS connected inter-state projects.*
- The quantum of banking may be linked with the energy injected by such captive projects instead of only linking it with the consumption from the distribution licensee.
- The proviso under clause 14(4) disallows banking and drawal during the period when R & C is in force. This is not appropriate as R & C cannot be imposed on the energy procured by open access consumers from external sources. Further, banking per say should be welcomed in R&C period as the availability of power would be less. However drawal can be deferred to a future period of more availability / slack demand as done in existing regulation on banking.
- To consider adopt the FOR MODEL REGULATION CLAUSE 10 a), b), c), d),e).
- The Omission of clause 14(5) proposed.

The stakeholders representing larger consumer public have strongly opposed the banking provisions while saying that they are less promotional compared to the existing provisions. They opposed the drawal of banked energy during peak ToD hours. They also stated that it is desirable to specify the methodology for arriving at the normative or actual additional costs if any and the charge may be fixed at a lesser level as a promotional measure. Imposing the loss of open access on the consumers who have nothing to do with such open access transactions is an unacceptable condition not expected in a welfare governing system.

#### **Commission's analysis and Decision.**

The Commission has examined the suggestions of all stakeholders carefully. The Commission is not inclined to continue the existing provisions on banking as they are more favorable to the RE Sources. The objects of Rules or the present Regulation is to promote the Green Energy but prescribing certain tariffs and

---

conditions to recover the costs to be incurred for the same by the DISCOMS shall not mean that they defeat the objects as contended. This Regulation need not be exactly aligned to Rules as the present Regulation is being issued under exclusive power conferred on the Commission under section 86 (1) (e). The FoR model Regulations are only for guidance and they are not binding on the Commission. Further, the banking is applicable to the consumers availing the GEOA from intrastate Generators not from the interstate Generators. The Commission is also not inclined to permit the drawal of banked energy in peak hours during R&C measures if any as this will affect the DISCOMS's interests severely. The Commission shall promote co-generation and generation of electricity from renewable sources of energy by providing suitable measures for connectivity with the grid and sale of electricity to any person, and also specify, for purchase of electricity from such sources, a percentage of the total consumption of electricity in the area of a distribution licensee under section 86 (1) (e) of the Electricity Act, 2003. One of the objects of the Electricity Act is to promote the environmentally benign policies. Keeping this in view, on all other aspects mentioned by the stakeholders, based on the recommendation made by the working group constituted by the Forum of Regulators on RE related Policy & Regulatory Matters, the draft is modified as below balancing the interests of all the stakeholders.

*“Banking: Banking facility shall be provided to the consumers availing Green Energy Open Access which shall be subject to the following conditions.*

*(1) The Banking shall be on a monthly billing cycle basis. Each calendar month shall be treated as one billing cycle. The banked energy shall be utilized within the same billing cycle. The unutilized energy at the end of the billing cycle shall be paid at the rate of 75% of the last discovered SECI tender rate for the given RE source as notified by APERC every year and the benefit of RPO shall be given to the distribution licensee for the corresponding unutilized banked energy.*

*(2) The Banking charges in kind shall be 8% of the energy banked at the consumer end. If Transmission/Wheeling Charges and Losses have been levied on the full quantum to determine transmitted/wheeled energy, then no further wheeling charges and losses shall be levied on banked energy during drawl.*

*(3) The Green Energy Open Access consumers shall be permitted to bank up to a maximum of thirty percent of their total monthly consumption of electricity from the green energy source in a banking cycle.*

*(4) The banking and drawal shall be allowed throughout the billing cycle. The credit for energy banked shall be adjusted during the same banking cycles as per the*

---

energy injected in the respective Time of Day ('TOD') slots determined by the Commission in its RST Orders. The energy banked during peak TOD slots shall be permitted to be drawn during peak as well as off-peak TOD slot. However, the energy banked during off-peak TOD slots shall be permitted to be drawn during off-peak TOD slot only.

Provided that the drawal of banked energy during the peak load hours as mentioned in the ToD approved by the Commission in the Retail Supply Tariff Orders shall not be permitted if R&C measures are in force.

(5) Settlement of open-access energy at the consumer end shall be in the following order of priority:

- a) Open Access Power through Exchange / Bi-lateral transactions
- b) Captive Power/Third party (Non RE)
- c) RE generation after deduction of losses.
- d) Banked Energy
- e) DISCOM's power

Settlement of open-access energy for the Generator shall be in the following order of priority:

- a) Open Access Power through Exchange / Bi-lateral transactions
- b) Open Access Power through intrastate consumer transactions

(6) The energy accounts of all banking transactions shall be maintained by SLDC. Model illustrations of energy settlements, Banking methodology, Banking Charges and banking settlement for different scenarios shall be placed on its website for easy understanding by various stakeholders.”

## **15. GREEN CERTIFICATES**

### **Draft.**

“15. Green certificates: The distribution licensee shall provide a green certificate on a yearly basis to the consumers as per the APERC Renewable Power Purchase Obligation (Compliance by the purchase of Renewable Energy/Renewable Energy Certificates) Regulation, 2022 and its amendments from time to time.”

**Comments received from Stakeholders**

**Manikaran Power Limited** has stated that any consumer procuring RE power beyond RPO should be provided REC certificates as per CERC REC Regulations, 2022.

**Commission's analysis and decision:**

Keeping in view the suggestion, the draft is modified as below.

*“15. Green certificates & RECs: The distribution licensee shall provide a green certificate on a yearly basis to the consumers who purchased the green energy from them as per the APERC Renewable Power Purchase Obligation (Compliance by the purchase of Renewable Energy/Renewable Energy Certificates) Regulation, 2022 and its amendments from time to time. The obligated entities may be issued RECs if their purchases from the RE sources other than from the DISCOMS exceed the RPOs specified by this Commission as per the CERC REC Regulations 2022 duly following the stipulated Procedure.”*

**16. COLLECTION AND DISBURSEMENT OF CHARGE****Draft.**

*“16. Collection and Disbursement of Charges*

*The charges in respect of GEOA consumers shall be payable directly to the respective State Nodal Agencies in accordance with the terms and conditions of payment as specified by the State Nodal agency. SNA shall disburse the amount received to the appropriate licensees. In case more than one licensee is supplying in the same area, the licensee from whom the consumer was availing supply shall be paid the OA amounts so collected.”*

**Comments received from Stakeholders**

The three DISCOMS have stated that as in the case of existing Open Access Regulation (2 of 2005), the onus of collecting different charges may be vested with territorial DISCOMs where the consumer is located. The relevant Transmission Charges, if applicable, would be reimbursed to the STU. Whereas APTRANSCO & APSLDC have stated that the Nodal Agencies are intimating the OA user the applicable OA charges and were requesting to pay transmission & SLDC charges to APTRANSCO, Wheeling & cross-subsidy directly to Discoms. Hence, it is requested to modify the provision accordingly. FAPCCI stated that in the current scheme of things, the draft Regulations provide for an apt settlement procedure.

---

**Commission’s analysis and decision:**

Considering the DISCOMS and APTRANSCO’s submissions, the Commission is inclined to modify the draft as below.

*“16. Collection and Disbursement of Charges*

*The procedure stipulated in APERC Regulation 2 of 2005 shall be followed for the collection and disbursement of charges as per this Regulation from/to GEOA consumers ”*

**17. DISPUTE RESOLUTION**

**Draft**

*“17. Dispute Resolution:*

*No application for open access shall be denied unless the applicant has been given an opportunity of being heard in the matter.*

*All disputes and complaints shall be referred to the Nodal Agency for resolution. Provided that when the Nodal Agency is itself a party to the dispute, the dispute shall be referred for resolution to the Consumer Grievances Redressal Forum (CGRF).*

*Provided further that in case of open access of power from the generating plants, the dispute shall be adjudicated upon by the Commission.”*

**Comments received from Stakeholders**

**Amplus Energy Solutions Private Limited** has stated that in cases wherein Nodal Agency is itself a party to the dispute, to consider referring the disputes to the CGRF if the contract demand for which GEOA is sought is less than 5 MVA, and to the State Commission if the contract demand for which GEOA is sought is more than 5 MVA. This is because the number of consumers seeking GEOA with a contract demand exceeding 5 MVA is relatively small, and the potential commercial impact would be substantial.

**Commission’s analysis and decision:**

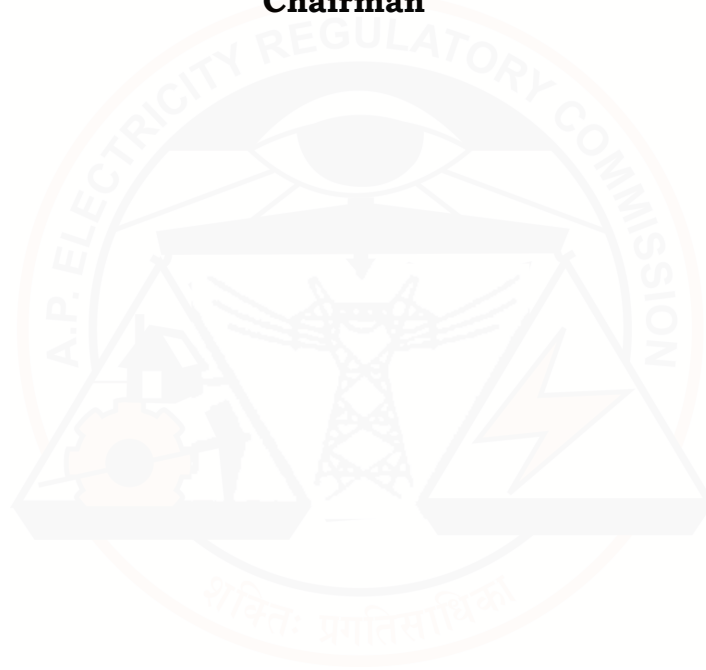
The Commission is not inclined to consider the suggestion and the draft is retained.

- 18.** The Commission has decided to adopt the remaining clauses proposed in the draft without alterations where stakeholders have neither submitted comments for modification nor proposed the same. However, the appropriate corrections are made wherever necessary inline with the decisions in the Order.
- 19.** In terms of the above decisions of the Commission, the Regulation is finalised and the same is enclosed as Annexure-II to this Order. The list of objectors is attached as Annexure-I.

**Sd/-**  
**P.V.R Reddy**  
**Member**

**Sd/-**  
**Justice C.V. Nagarjuna Reddy**  
**Chairman**

**Sd/-**  
**Thakur Rama Singh**  
**Member**



**Annexure-I****List of the stakeholders has stated the objections/suggestions/Comments**

<b>S.No</b>	<b>Name of the Objector</b>
1	M. Venugopala Rao, Senior Journalist & Convener, Centre for Power Studies, H.No.1-100/MP/101, Monarch Prestige, Journalists' Colony, Serilingampally Mandal, Hyderabad-500 032.
2	Ch.Babu Rao,State Secretariat Member,27-30-3, Akulavari Street, Governorpeta, Vijayawada.
3	L.GOPINATH,Chief Executive Officer,South Indian Cement Manufacturers Association.
4	Shree Cements Ltd, Amarjit Singh, Joint Vice President-Power Business, Corporate Office : 21, Strand Road, Kolkata-700001.
5	S.Surya Prakasa Rao,Former Director (Commercial), erstwhile APCPDCL and Former Secretary erstwhile APERC, Flat.no.105, Ashok Chandra Enclave, 11-4-660 Redhills, Hyderabad-500004.
6	Orient Green Power Company Limited, "Bascon Futura SV" 4th Floor, No. 10/1, Venkatanarayana Road, T. Nagar, Chennai - 600017.
7	Maruti Ispat & Energy Pvt. Ltd.,Corporate Office: Rama Towers, 5-4-83, Floor, TSK Chambers, M.G.Road, Secunderabad-500003.
8	Sushant Kumar Sinha,Alfanar Power Private Limited,Gurugram.
9	Anand Prakash Bindal,Ultratech Cement Ltd.
10	P.Sreenivasulu, CPI(M), District Secretary,H.No:38/48, CPI(M) District Committee Office, Sandeep Nagar, K.Ramapuram, Rayachoti.
11	Subrahmanyam Pulipaka,Chief Executive Officer,NSEFI(National Solar Energy Federation of India), 135-137, Rectangle 1, D4, Saket, New Delhi.
12	Manikaran Power Ltd, Corporate Office, 301,3rdcFloor,D21,Corporate park, Dwaraka, New Delhi-110077.
13	K.Ramanjaneyulu, President, Eluru Municipal Corporation Development Committee.
14	Dalmia Cement (Bharat) Limited, 2nd Floor, 74, Ethiraj Salai, Egmore, Chennai - 600 008, Tamil Nadu,
15	Gaurav Maheshwari, AVP (Regulatory Affairs), Indian Energy Exchange Limited (IEX)
16	Hetero Wind Power Limited, Reg Office: 7-2-A2, 3rd Floor, Hetero Corporate, Industrial Estate, Sanath Nagar Hyderabad-500018.
17	Rakesh Gopinath,Fourth partner Energy Private Limited, Reg. Office & Operations: Fourth Partner House, Plot No. N46, H. No. 4-9-10, HMT Nagar, Hyderabad, Telangana.



S.No	Name of the Objector
18	P. Vydehi,Secretary (I/c), 54-16-½-A, 3rd Floor, Central Excise Colony, Road No.1 Gunadala, Vijayawada-520008.
19	Suresh Khandelwal,Ceo,Electrosteel Castings Limited,Rachagunneri, Srikalahasthi Mandal, Chittoor Dist. A.P.
20	A.G.Rajmohan, Gen.Secretary, Andhra Pradesh United Citizens Forum Anantapur,1-4-407, H.L.C.Colony Extension, Anantapur, 515004.
21	A.Ravi, District secretary,CPI (M), Eluru District. Eluru District Committee Office, Power Pet, ELURU - 534002
22	Ravinatha Reddy Bumireddy, State Coordination Officer-AP, Reliance Industries Limited,Regd Office,3rd floor, Makers Chambers V,222, Nariman Point, Mumbai- 400 021.
23	Antriksh Singh Bisht- Enfinity Global.
24	Amplus Energy Solutions Pvt Ltd.
25	K.Sreedhar Reddy,Retired Joint Director, APERC , 8-2-603/U/9, D-202, Fortune Icon, Road No. 10, Banjara Hills, Hyderabad.
26	P. Koti Rao,Director, AP Chambers of Commerce & Industries Federation, 40-1-144,3rd Floor Corporate Building, Hotel Fortune Murali Junction, M.G.Road, Vijayawada-520010.
27	Ushodaya Enterprises Private Limited,Registered Office: 3rd Floor" Corporate Building" Ramoji FIm City. Anajapur Village" Ranga Reddy Dist.
28	Sustainable Projects Developers Association.
29	Subrahmanyam Pulipaka, Chief Executive Officer, National Solar Energy Federation of India, 135-137, 1st Floor Rectangle-1, D-4, Saket District Center New Delhi - 110017.
30	Lakshmi Kunw V, Senior Manager - Energy. ITC Limited, Paperboards & Speciality Papers Division, Divisional Headquarters ; ITC Bhadrachalam House 106, Sardar Patel Road, ' Secunderabad - 500 003.
31	Indian Wind Power Association,Northern Region Council,G28,World Trade Center,Barakamba Road, New Delhi-110001
32	Indian Wind Power Association,AP State Council,2nd Floor, Plot no.3, H. No. 6-3-680//8/3, PMR Plaza, Thakur Mansion Lane, Somajiguda, Hyderabad – 500 082.
33	Axis Energy Ventures India Pvt Ltd.
34	Atria Wind Power Pvt Ltd, Regd & Corporate Office - First Floor, No.11, Commissariat Road. Bangalore- 560 025 INDIA.
35	U.M.Kumar, AP Textile Mills Association,2nd Floor, Manoharam, Skin Clinic,4/2,Laxmipuram, Guntur-522007.
36	Indian Wind Turbine Manufacturers Association, Transit House : C-1, 2nd Floor, Soami Nagar New Delhi-IIO 017, India

<b>S.No</b>	<b>Name of the Objector</b>
37	CGM, RAC & IPC, APSPDCL, Tirupati.
38	Indian Wind Energy Association, CISRS House, 14 Jangpura B, Mathura Road, New Delhi 110014.
39	Chief General Manager, RA&PP, APEPDCL, Visakhapatnam – 530013
40	Chief General Manager, RAC, APCPDCL.
41	Chief General Manager, Commercial & Legal, APTransco, Vidyut Soudha, Vijayawada- 520 004.
42	Sunil Talla, Founder & CEO, Grid Edgeworks,Pvt Ltd, Nanakramguda, Financial District, Hyderabad-500032.
43	Suresh Khandelwal,Ceo,Electrosteel Castings Limited, Rachagunneri — 517641, Srikalahasthi Mandal, Chittoor Dist. A.P.
44	U.M.Kumar, AP Textile Mills Association,2nd Floor, Manoharam, Skin Clinic,4/2,Laxmipuram, Guntur-522007
45	P. Vydehi,, Secretary (I/c) FAPCCI
46	AP Ferro Alloy Producer's Association,Flat No: FF6, Gitanjali Apartments, Tikkle Road, Mogalrajpuram, Vijayawada-520010, A.P.



**Annexure-II**

**Andhra Pradesh Electricity Regulatory Commission**

**“Andhra Pradesh Electricity Regulatory Commission (Green Energy Open Access, Charges, and Banking ) Regulation, 2024”.**

**Regulation No. 3 of 2024**

**Preamble:**

The Government of India (GoI) has set an ambitious target of achieving carbon neutrality by the year 2070. In pursuit of this goal, the GoI has established a target to install a Renewable Energy (RE) capacity of 500 GW by 2030. To facilitate and promote the adoption of renewable energy sources, the Ministry of Power (MoP) has issued the Electricity (Promotion of Renewable Energy Through Green Energy Open Access) Rules in 2022. These rules aim to provide regulatory clarity and simplify the process of granting Open Access to both renewable energy generators and consumers.

As per section 181 (1) of the Electricity Act, 2003, the State Commissions may, by notification, make Regulations consistent with the Act and the Rules generally to carry out the provisions of the Act. Therefore, in the interest of promoting the growth of Renewable Energy within the state of Andhra Pradesh, fostering regulatory certainty, and streamlining the Open Access process for RE generators and consumers, fulfilling the objective of the Electricity Act, 2003 for the promotion of efficient and environmentally benign policies, and in the interest of ensuring a better environment for the public at large, in exercise of its powers conferred under Section 86(1)(e) of the Electricity Act, 2003, which envisages promotion of co-generation and generation of electricity from renewable sources of energy, by providing suitable measures for connectivity with the grid and sale of electricity to any person and read with Sections 181, 39(2)(d), 40(c), 42(2, 3), 86(1)(c) of the Electricity Act, 2003, and all other powers enabling in this behalf, after considering all the objections in this regard as detailed in Order dated 01.05.2024, the Commission has framed the following Regulation.

1. **Short title, commencement, and extent of application:**

- i. This Regulation shall be called the Andhra Pradesh Electricity Regulatory Commission (Green Energy Open Access, Charges, and Banking ) Regulation, 2024.
- ii. This Regulation shall come into force from the date of its publication in the Andhra Pradesh State's Gazette.
- iii. This Regulation shall extend to the whole State of Andhra Pradesh
- iv. This Regulation shall be applicable for allowing Open Access to electricity generated from Renewable Energy Sources, for use of Intra-State Transmission System/s (InSTS) and/or distribution system/s of licensee/s in the State, including such Intra-State Transmission and/or distribution system/s, which are incidental to Inter-State Transmission of electricity.
- v. This Regulation supersedes all the earlier Regulations/Stipulations/Guidelines/Directions issued by the Commission in the matter of Open Access to Green Energy.

2. **Definitions :**

(1) In this Regulation, unless the context otherwise, requires:

- a. **“Act”** means the Electricity Act, 2003 (36 of 2003);
- b. **“Banking”** means a facility through which the unutilized portion of energy (under utilisation by the consumer or excess generation over and above the schedule by the generator) from any of the Green Energy Sources during a billing month is kept in a separate account and such energy accrued shall be treated in accordance with the conditions laid down in this Regulation;
- c. **“Central Nodal Agency”** means the nodal agency as specified by the Government of India as per the rules;
- d. **“CERC”** means the Central Electricity Regulatory Commission;
- e. **“Commission”** means the Andhra Pradesh Electricity Regulatory Commission;
- f. **“Entity”** means any consumer who has contracted demand or sanctioned load of hundred kW or more either through a single connection or through multiple connections aggregating to a hundred kW or more located in the same electricity division of a distribution licensee, except for captive consumers:

Provided that in the case of captive consumers, there shall not be any load limitation;

Provided further that the entity may be without a supply agreement with the DISCOMS.

- g. **“Forum of Regulators (FOR)”** means the forum as referred to in sub-section (2) of section 166 of the Act;
- h. **“Fossil Fuel”** means fuels such as coal, lignite, gas, liquid fuel or a combination of these as its primary source of energy, which are used in generating stations for generating electricity;
- i. **“Green Energy”** means the electrical energy from renewable sources of energy;
- j. **“Obligated Entity”** means the entities mandated to fulfil Renewable Power Purchase Obligation, which includes distribution licensee, captive users, and open access consumers, as specified under Andhra Pradesh Electricity Regulatory Commission Renewable Power Purchase Obligation (Compliance by purchase of Renewable Energy/Renewable Energy Certificates) Regulation, 2022, as amended from time to time;
- k. **“Open Access”** means the non-discriminatory provision for the use of transmission lines or distribution systems or associated facilities with such lines or systems by any licensee or consumer or a person engaged in generation in accordance with the Regulations issued by the Andhra Pradesh Electricity Regulatory Commission;
- l. **“Reform Act”** means the Andhra Pradesh Electricity Reform Act, 1998;
- m. **“Renewable Sources of Energy”** means renewable sources of energy such as small hydro, wind, solar, biomass, biofuel, cogeneration (including bagasse-based cogeneration), municipal solid waste, RE Hybrid, hydro, storage (if the storage uses renewable energy) and such other sources/mechanism as recognised and approved by the GoI or State Government;
- n. **“Rules”** shall mean the Electricity (Promoting Renewable Energy Through Green Energy Open Access) Rules, 2022 as may be amended from time to time;
- o. **“SLDC”** means the State Load Dispatch Centre established under sub-section (1) of section 31 of the Act;
- p. **“Standby Charges”** means the charges applicable to green energy open access consumers towards the standby arrangement provided by the distribution licensee, in case such green energy open access consumers are unable to procure/schedule power from the generating sources with whom they have the agreements to procure power due to outages of the generator, transmission systems and the like;
- q. **“State Grid Code”** shall mean the Grid Code issued by the Andhra Pradesh Electricity Regulatory Commission for the State of Andhra Pradesh.

- r. **"State Transmission Utility"** means the Board or the Government company specified as such by the State Government under sub-section (1) of section 39 of the Act;
- s. **"State Nodal Agency"** means the nodal agency notified by this Regulation for the purpose of green energy open access.

(2) Words and expressions used and not defined in this Regulation but defined in the Act shall have the meanings assigned to them in the Act. Expressions used herein but not specifically defined in this Regulation or in the Act but defined under any law passed by a competent legislature and applicable to the electricity industry in the state shall have the meaning assigned to them in such law.

3. **Criteria for allowing GEOA:**

- i. The long-term GEOA shall be allowed in accordance with the transmission planning criteria and distribution planning code stipulated in the State Grid Code.
- ii. The Short-Term/Medium-Term open access shall be allowed, if the request can be accommodated, by utilizing
  - a. Inherent design margins
  - b. Margins available due to variation in power flows and
  - c. Margins available due to in-built spare transmission system capacity and/or distribution system capacity created to cater to future load growth;

Provided that the above criteria is not applicable if open access by any consumer is sought within the CMD with the DISCOMS.

4. **Categorization of Open Access:**

The open-access consumers shall be classified into the following categories based on the duration of use of the intra-state transmission and/or distribution system:

- i. Long-term Open Access consumers- persons availing or intending to avail the open access for a period equal to or more than five years.
- ii. Medium-term Open Access consumers- persons availing or intending to avail the open access for a period of more than one year and less than 5 years.
- iii. Short-term Open Access consumers- persons availing or intending to avail the open access for a period of up to one year.

Provided that the short-term open access consumer shall be eligible & re-eligible

to obtain fresh reservation on the filing of application after the expiry of his term and subject to availability. Such eligibility shall be on priority fixed on the basis of the date of application.

**5. Priority over Fossil based plants:**

The Green Energy Open Access Consumers shall be given priority over fossil-based open access consumers in connectivity and open access in general and also in case of system constraints and availability of limited transmission/distribution system capacity while granting approval for connectivity or open access.

**6. Preference and Curtailment Priority:**

Among the GEOA consumers, long-term GEOA consumers shall have preference followed by Medium term and short-term, at any given time.

Provided that, the decision for allowing the open access shall be on the basis of first come first served.

In case of constraints in the transmission system or distribution system, the curtailment priority shall be as follows:

- a. Short-term open-access consumers other than Green Energy Open Access consumers shall be curtailed first followed by short-term Green Energy Open Access consumers. Further, the GE open access consumers under the temporary connection agreement shall be curtailed first followed by permanent connection. Also, bilateral transactions shall be curtailed first followed by collective transactions under the day-ahead market followed by collective transactions under the real-time market.
- b. Medium-open-access consumers other than Green Energy Open Access consumers shall be curtailed first followed by Medium term Green Energy Open Access consumers.
- c. Long-term open-access consumers other than Green Energy Open Access consumers shall be curtailed first followed by Long-term Green Energy Open Access consumers.

**7. Eligibility criteria for Green Energy Open Access:**

Subject to the provisions of this Regulation and system availability, all the entities shall be eligible to take power through Green Energy Open Access for third-party sale or captive use from any Green energy generator.

---

Provided that such entities or generators, having been declared insolvent or bankrupt or having undisputed outstanding dues against them for more than two months billing of the distribution/transmission licensee or having a case of undisputed unauthorized use of electricity/theft of electricity pending against them at the time of application, shall not be eligible for open access.

Provided further that any entity/generator which is revived through the Resolution process of NCLT or any other law would also be eligible for open access.

8. **Nodal Agency, the procedure for granting green energy open access:**

- (1) Andhra Pradesh State Load Despatch Centre (APSLDC) shall operate as the State Nodal Agency (SNA) for short-term green energy open access.
- (2) The State Transmission Utility (STU) shall operate as the State Nodal Agency (SNA) for the grant of long-term and medium-term term green energy open access.
- (3) All the applications related to green energy open access shall be submitted directly to the respective State Nodal Agencies or through the single window portal set up by the Central Nodal Agency as per the Green Energy Open Access Rules.
- (4) The applications received directly or through the Central Nodal Agency by the State Nodal Agency (SNA) shall be processed as per the procedures and formats devised by SNAs. The SNAs shall develop detailed procedures, and timelines for green energy open access and submit the same to the Commission within 30 days from the date of notification of this Regulation in the Gazette. The procedures and the timelines shall be devised to the extent possible in consonance with the procedures notified by the central agency, and the Green Energy Open Access Rules. However, the existing procedures under Open Access Regulation 2005 of APERC in the interim shall be followed in granting GEOA till the Commission finalises the specific procedures and timelines for GEOA. Further, the timelines in the procedures notified by the central agency, and the Green Energy Open Access Rules would prevail over the timelines specified in Regulation 2005 of APERC. The procedure specified for LTOA may also be followed for MTOA.
- (5) The SNAs shall coordinate with all other utilities concerned to make available all relevant information regarding green energy open access to the public on the portal of the Central Nodal Agency.

9. **Connectivity, and Energy Settlements:**

The connectivity for all new green energy generators shall be granted as per the provisions of APERC Regulation on Power Evacuation from Captive Generation Co-



generation and RE Source Power Plants (Regulation 3 of 2017). The Energy Settlements of all the intra-state Green Energy Open Access of Generators/Consumers shall be done as per Regulation 2 of 2006 and its amendments from time to time. All the GEOA generators' energy shall be settled in 15 minutes block-wise based on the day ahead schedule. Wherever, the capacities are small and difficult to implement the 15-minute block-wise schedule, in all such cases the actual generation from the Green Energy Generator during the month shall be deemed as Scheduled Energy. For the purpose of settlement in respect of scheduled/QA consumers availing supply from these OA GE Generators, the actual generation during the month will be apportioned for each time block of the month if ToD billing is applicable for consumers and deviations reckoned accordingly. If ToD billing is not applicable, the actual generation from the Green Energy Generator during the month shall be deemed as Scheduled Energy and the same shall be accounted for settlement of energy with such consumers. However, in all cases, the banking shall be done as per this Regulation. The Energy settlements of intra-state RE generators for interstate transactions shall be done as per CERC Regulations. The Deviations of intra-state Wind and Solar Generators' schedules for interstate transactions shall be settled as per CERC DSM Regulations, 2022 till the Commission issues a comprehensive Regulation in this regard.

10. **Treatment for existing entities:**

The existing consumer(s)/generators shall continue to avail the open access as per the existing agreements or government policy for the period specified in those agreements or policies, to the extent they are not inconsistent with the Act.

Provided that the existing consumers/generators shall continue to pay the applicable charges as specified in their respective agreements.

Provided that Green Energy open access for the period after the expiry of the existing agreement period in respect of such consumer/generator shall be governed by the provisions of this Regulation.

Provided further that the existing OA consumer(s) may avail any additional power through Green Energy Open Access under the present Regulation.

11. **Metering:** Metering shall be done in accordance with provisions of CEA (Installation and Operation of Meters) Regulations 2006 as amended from time to time. Further, the practice directions and the Regulations issued by this Commission in accordance with the metering Regulations of CEA shall also be

---

complied with. Until the Commission issues practice directions on open-access consumer metering, the GEOA may be granted with the existing meters for consumers.

**12. Charges to be levied for Green Energy Open Access:**

- a) Transmission charges: Transmission charges as applicable, and determined by the Commission in Multi-Year Tariff Orders for the relevant period in accordance with APERC (Terms and Conditions for Determination of Transmission Tariff) Regulation, 2005 and its amendments from time to time shall be paid by the GEOA consumers.
- b) Wheeling charges: Wheeling charges as applicable, and determined by the Commission in Multi-Year Tariff Orders for the relevant period in accordance with APERC (Determination of Tariff for Wheeling and Retail Sale of Electricity) Regulation, 2005 and its amendments from time to time shall be paid by the GEOA consumers.
- c) Cross subsidy Surcharge as applicable, and determined by the Commission in Retail Supply Tariff Order from time to time or any other order of the Commission shall be paid by the GEOA consumers.
- d) Standby charges wherever applicable: The Standby Charges shall be 120% of the normal tariff (for both demand and energy) of the consumer category without any penalty for exceeding the CMD when there is no notice from the parties concerned. MD charges shall be based on the RMD recorded in the meter for exceeding over the CMD and the charges for the energy are based on the energy corresponding to the open access demand. If there is any notice to the DISCOMS from the parties concerned on this aspect if such period of standby arrangement exceeds 72 hours or more from the time of notice, the Standby Charges shall be 120% of the normal tariff on energy or the maximum tariff of energy purchased from the exchanges/market (during the standby period), whichever is higher is applicable and whereas the charges within 72 hours from the notice shall be limited to only 120 percent of the normal tariff on energy. Further, the LC is not applicable, if the GEOA consumers do not opt for a standby arrangement with the DISCOMS. Wherever standby arrangement is requested, the LC for three days of the open access consumption may be obtained.
- e) Banking charges wherever applicable: As specified in this Regulation.
- f) SLDC fees and Charges: As determined by the Commission in accordance with

---

APERC (Levy and Collection of Fees and Charges by State Load Despatch Centre) Regulation, 2006 from time to time.

- g) Scheduling and Deviation settlement charges: Till the Commission issues a comprehensive Regulation on Deviation settlement, the charges shall be collected as per the CERC DSM Regulations, 2022 and its amendments from time to time.
- h) Reactive Energy Charges: The Generators availing of Green Energy Open Access shall pay for the reactive energy in accordance with provisions of the State Grid Code notified by the Commission. If the Commission has not specified rates in the State Grid Code, the rates specified in CERC Regulations/Orders shall be applicable.
- i) Losses between entry and exit points of open access: Losses as applicable as per the Orders/Regulations of the Commission.
- j) The processing fee for Green Energy Open Access under Long-term, Medium-term and short-term shall be Rs.1,50,000, Rs.1,00,000 and Rs.50,000 respectively.
- k) In addition to the above, any Other Charge may be levied as decided by the Commission.

13. **CROSS SUBSIDY SURCHARGE AND ADDITIONAL SURCHARGE:**

**Cross Subsidy Surcharge, and Additional Surcharge:** The Cross Subsidy Surcharge, and Additional Surcharge shall be determined as per the provisions of the Electricity Act, 2003 and the National Tariff Policy notified by the Central Government under the Act.

Provided that cross subsidy surcharge and additional surcharge shall not be leviable in case open access is provided to a person who has established a captive generating plant for carrying the electricity to the destination of his own use. The captive status of the consumer shall be determined based on the Electricity Rules notified by the Government of India.

Provided also that cross subsidy surcharge and additional surcharge shall not be applicable in case power produced from a non-fossil fuel-based Waste-to-Energy plant is supplied to the Open Access Consumer.

Provided also that an additional surcharge shall not be applicable in case electricity is produced from offshore wind projects, which are commissioned up to December 2032 and supplied to the Consumers under open access.

Provided also that Cross subsidy surcharge and additional surcharge shall not be applicable if green energy is utilized for the production of green hydrogen and green ammonia.

14. **Banking:** Banking facility shall be provided to the consumers availing Green Energy Open Access which shall be subject to the following conditions.

(1) The Banking shall be on a monthly billing cycle basis. Each calendar month shall be treated as one billing cycle. The banked energy shall be utilized within the same billing cycle. The unutilized energy at the end of the billing cycle shall be paid at the rate of 75% of the last discovered SECI tender rate for the given RE source as notified by APERC every year and the benefit of RPO shall be given to the distribution licensee for the corresponding unutilized banked energy.

(2) The Banking charges in kind shall be 8% of the energy banked at the consumer end. If Transmission/Wheeling Charges and Losses have been levied on the full quantum to determine transmitted/wheeled energy, then no further wheeling charges and losses shall be levied on banked energy during drawl.

(3) The Green Energy Open Access consumers shall be permitted to bank up to a maximum of thirty percent of their total monthly consumption of electricity from the green energy source in a banking cycle.

(4) The banking and drawal shall be allowed throughout the billing cycle. The credit for energy banked shall be adjusted during the same banking cycles as per the energy injected in the respective Time of Day ('TOD') slots determined by the Commission in its RST Orders. The energy banked during peak TOD slots shall be permitted to be drawn during peak as well as off-peak TOD slots. However, the energy banked during off-peak TOD slots shall be permitted to be drawn during off-peak TOD slots only.

Provided that the drawal of banked energy during the peak load hours as mentioned in the ToD approved by the Commission in the Retail Supply Tariff Orders shall not be permitted if R&C measures are in force.

(5) Settlement of open-access energy at the consumer end shall be in the following order of priority:

- a) Open Access Power through Exchange / Bi-lateral transactions
- b) Captive Power/Third party (Non RE)
- c) RE generation after deduction of losses.
- d) Banked Energy

e) DISCOM's power

Settlement of open-access energy for the Generator shall be in the following order of priority:

- a) Open Access Power through Exchange / Bi-lateral transactions
- b) Open Access Power through intrastate consumer transactions

(6) The energy accounts of all banking transactions shall be maintained by SLDC. Model illustrations of energy settlements, Banking methodology, Banking Charges and banking settlement for different scenarios shall be placed on its website for easy understanding by various stakeholders.

15. **Green certificates & RECs:** The distribution licensee shall provide a green certificate on a yearly basis to the consumers who purchased the green energy from them as per the APERC Renewable Power Purchase Obligation (Compliance by the purchase of Renewable Energy/Renewable Energy Certificates) Regulation, 2022 and its amendments from time to time. The obligated entities may be issued RECs if their purchases from the RE sources other than from the DISCOMS exceed the RPO specified by this Commission as per the CERC REC Regulations 2022 duly following the stipulated Procedure.

16. **Collection and Disbursement of Charges:**

The procedure stipulated in APERC Regulation 2 of 2005 shall be followed for the collection and disbursement of charges as per this Regulation from/to GEOA consumers

17. **Dispute Resolution:**

No application for open access shall be denied unless the applicant has been given an opportunity of being heard in the matter.

All disputes and complaints shall be referred to the Nodal Agency for resolution. Provided that when the Nodal Agency is itself a party to the dispute, the dispute shall be referred for resolution to the Consumer Grievances Redressal Forum (CGRF).

Provided further that in case of open access of power from the generating plants, the dispute shall be adjudicated upon by the Commission.

18. **Power to Relax.:** The Commission may by general or special order, for reasons to be recorded in writing, and after giving an opportunity of hearing to the parties likely to be affected may suo moto relax any of the provisions of this Regulation or on an application made before it by an interested person.

19. **Issue of orders or directions:** Subject to the provisions of the Act and this Regulation, the Commission may, from time to time, issue orders and procedural directions with regard to the implementation of this Regulation and specify the procedure to be followed on various matters, which the Commission has been empowered by the Regulations to direct and matters incidental thereto.
20. **Power to amend and review:** The Commission may, at any time, add, vary, modify amend, or review any of the provisions of this Regulation.
21. **Power to remove difficulties:** If any difficulty arises in giving effect to any of the provisions of this Regulation, the Commission may, by general or special order, make such provisions, which in the opinion of the Commission are necessary or expedient to do so.
22. **Savings:**
- a) Notwithstanding superseding of all the Regulations/Stipulations/Guidelines/ Directions of the Commission on Green Energy Open Access, anything done or any action taken or purported to have been done or taken under the said Regulations/Stipulations/Guidelines/Directions, in so far as it is not inconsistent with the provisions of the Act or rules and Regulations made thereunder, have been saved.
  - b) Nothing in this Regulation shall be deemed to limit or otherwise affect the power of the Commission to make such orders as may be necessary to meet the ends of justice or to prevent abuse of the process of the Commission.
  - c) Nothing in this Regulation shall bar the Commission from adopting a procedure at variance with any of the provisions of this Regulation, 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 in order to deal with such a matter or class of matters.

**(BY ORDER OF THE COMMISSION)**

**Place: Hyderabad**  
**Date: 01.05.2024**

**Sd/-**  
**P. KRISHNA**  
**Commission Secretary (1/e)**