

Comments Received From Chief Engineer , Directorate of Energy, Govt. of H.P on the draft HPERC (Grant of Connectivity Long term & Medium term intra-state Open Access & Related Matters) Regulations, 2010

- 1) Draft regulation under clause No. 2 (11) defines 'long term access' as a right to use the intra state transmission and/or distribution system for a period exceeding 12 years but not 25 years whereas 'medium term open access' as defined under clause No. 2 (13) provides for a right to use the intra state transmission and/or distribution system for a period exceeding 3 months but not exceeding 3 years. The regulations do not separately provide for Customer (s) that may require the usage of transmission and/ or distribution system for a period exceeding 3 years and up to 12 years at the first instance but an inference as drawn from provisions under clause No. 22 indicates that the term of the medium term customer can be renewed after expiry of period of the medium term open access. Renewal of term for long-term access has been amply clarified in terms of clause No. 16 and, therefore, for the sake of simplicity & clarity it may be worthwhile if distinct provision similar to long term open access is provided for Medium term open access also.
- 2) Sub para-3 of clause No. 10 facilitates usage of intra- state transmission system for inter-state transmission of power by a long term open access customer but the same is perhaps denied to Medium -term customer. This aspects needs to be relooked into particularly when the subclause starts with the words 'open access Customer' and for such purpose Medium-term open access customer is automatically included.
- 3) Clause-14 of the draft regulations in the case of an intra-state transmission licensee other than STU seeking the long term open access inter- alia stipulates the signing of a tripartite agreement by the applicant with the STU and intra state transmission licensee. The requirement of signing the tripartite agreement may arise only in the event of involvement of the system belonging to a transmission licensee other than the STU and furthermore in the event of more than one transmission licensee other than the STU, the need may be there for signing of agreement by the applicant with the STU and the concerned transmission licensee(s). It is, therefore, imperative that the second sentence of the clause is suitably amended.
- 4) The concept of paying an amount equal to 66% of the estimated transmission/ Wheeling charges for the stranded transmission/distribution capacity for the period falling short of a notice period of one year as provided for in clause No. 17(a)(ii) is not understood. In the opinion of this office, such customer shall be required to pay full designated charges as otherwise the burden shall pass on to other Customers, which may or may not be acceptable. However, in the event of addition of a new long term open access customer and/or Medium term open access Customer and/or short term customer bearing the proportionate charges for the stranded capacity; amount can be refunded to the LTOA customer for the corresponding period.
- 5) The contention under Sub- Clause-3 of clause No.17 (b) may need a review particularly when relinquishing of access rights shall increase the transmission charges burden of the existing customers by 34% till such time there is other matching addition to the system.