

**Central Electricity Regulatory Commission
New Delhi**

Dated: 8th August, 2018

Draft Amendment

No. PM/NOAR/2016/CERC – In exercise of powers conferred by Section 178 of the Electricity Act, 2003 and all other powers enabling it in this behalf and after previous publication, the Central Electricity Regulatory Commission, hereby makes the following regulations, to amend the Central Electricity Regulatory Commission (Open Access in inter-State Transmission) Regulations, 2008 (hereinafter referred to as the "Principal Regulations") namely:-

1. Short Title and Comments

- 1.1. These regulations may be called the Central Electricity Regulatory Commission (Open Access in inter-State Transmission) (Fifth Amendment) Regulations, 2018.
- 1.2. These regulations shall come into force with effect from the date to be separately notified by the Commission.

2. Amendment to Regulation 2 of Principal Regulations

- 2.1. Following sub-clause shall be added after sub-clause (j) of clause (1) of Regulation 2 of the Principal Regulations:

*“(j-b) '**National Open Access Registry (NOAR)**' means the Registry as provided under Regulation 3A;”*

3. New Regulation 3A - National Open Access Registry (NOAR)

- 3.1. New Regulation “3A” shall be added after Regulation 3 of the Principal Regulations as provided below:

“National Open Access Registry (NOAR)

3A (1). NOAR shall be a centralized electronic platform with the following functions:

- i. *Provide single point electronic interface for all the stakeholders, including open access participant, trading licensees, Power Exchanges, NLDC/RLDCs/SLDCs and Regional Power Committees*
- ii. *Automate the administration of the short term open access in inter-state transmission system.*
- iii. *Provide audit trail of the applications and dash board facility summarizing at any point of time the details of the short term open applications made, approvals/rejections accorded by RLDC/SLDC's, applications pending etc.*
- iv. *Act as a repository of information related to short term open access in inter-state transmission system*
- v. *Interface with the scheduling software applications of the RLDCs/SLDCs for processing short-term open access bilateral transactions*
- vi. *Interface with the Power Exchange(s) for verification of standing clearance and processing of term-ahead and day-ahead transactions.*
- vii. *Provide a payment gateway for making payments related to short term open access transactions and facilitate financial accounting and tracking of short term open access transactions*
- viii. *Facilitate in generating periodic reports for market monitoring and surveillance related activities*
- ix. *Any other functions, as assigned by the Commission from time to time after assessment of the functioning of the Registry*

(2). The short term open access applications shall be processed through NOAR and information related to approvals, rejections, revisions, curtailment, payment schedules, etc. shall be made available through the NOAR to the respective market participants including providing alerts through email/SMS.

(3). NOAR shall be owned and operated by NLDC (POSOCO).

Provided that

- i. *NLDC shall take all steps necessary to ensure cyber security compliance of NOAR, and report the compliance to the Commission on annual basis;*
- ii. *NLDC shall review the operations of NOAR from time to time and suggest changes required if any;*
- iii. *Additional expenses incurred on account of implementing and operating the NOAR shall be allowed to be recovered under the provisions of CERC (Fees and Charges of RLDC and other related matters) Regulations, 2009."*

4. Amendment to Regulation 4 (Detailed Procedure) of Principal Regulations

4.1. Regulation 4 of the Principal Regulations shall be substituted as follows:

“4. Subject to the provisions of these regulations, POSOCO shall after conducting the stakeholder consultation, issue the detailed procedure with prior approval of the Commission to operationalise open access through National Open Access Registry and on any residual matter not covered under these regulations.

5. New Regulation 5A

5.1. New Regulation “5A” shall be added after Regulation 5 of the Principal Regulations as provided below:

“5A. The processing of the short term open access applications for bilateral transactions by the nodal RLDC and for collective transactions through Power Exchange(s) by NLDC shall be carried out through the NOAR.”

6. New Regulation 5B – Registration in NOAR

6.1. New Regulation “5B” shall be added after Regulation 5A of the Principal Regulations as provided below:

“Registration in NOAR

5B. The short term open access applicant shall initially apply for registration in the NOAR with the information/document(s) as specified under the detailed procedure.

Provided that

- i. The application for registration shall be accompanied by Rs. 2000/- to be completed within 7 working days from the date of receipt of application for registration.*
- ii. The registration shall be valid for a period of 3 years and may be renewed thereafter with the payment of renewal charges of Rs. 1000/-.”*

7. Amendment to Regulation 6 (Submission of Short-Term Open Access Application) of Principal Regulations

7.1. In the Clause (1) of Regulation 6 of the Principal Regulations the words “shall make an application to the nodal agency” shall be substituted with “shall make an application to the nodal agency through NOAR”.

8. Amendment to Regulation 7 (Application Fee) of Principal Regulations

8.1. Proviso to Regulation 7 shall be deleted.

9. Amendment to Regulation 8 (Concurrence of State Load Despatch Centre for bilateral and collective transactions) of Principal Regulations

9.1. Regulation 8 of the Principal Regulations shall be substituted as follows:

“Standing Clearance by Load Despatch Centre for Short Term Transactions

8. (1) *An online application, through the NOAR, shall be made by the short term open access applicant to the concerned SLDC/RLDC for issuance of a ‘standing clearance’ for availing short term open access in interstate transmission for a pre-specified quantum and time period in accordance with the detailed procedures.*

Provided that while making application a declaration in the format prescribed in the detailed procedure shall be submitted along with the application declaring that there is no other contract for sale or purchase, as the case may be, of the same power for which standing clearance has been applied for.

(2) *While processing the application for standing clearance the SLDC/RLDC as the case may be, shall verify the following, namely-*

(i) *Existence of infrastructure necessary for time-block wise energy metering and accounting in accordance with the provisions of the Grid code in force;*

(ii) *Availability of surplus transmission capacity in the intra-State/inter-State network, as the case may be;*

(iii) *Submission of declaration according to the proviso to clause (1) of this regulation.*

(3) *Where the existence of necessary infrastructure, availability of surplus transmission capacity in the intra-state/inter-state transmission network as the case may be, and submission of declaration as required under proviso to clause (1) of this regulation have been established, the concerned SLDC/RLDC shall issue a standing clearance up to a maximum period of 3 months to the open access customer.*

Provided that

i. *The concerned SLDC/RLDC shall issue the standing clearance within 3 working days of receipt of such application.*

- ii. *The standing clearance may be issued by the concerned SLDC/RLDC for a maximum period of three months at a time after which a fresh application for issuance of standing clearance shall have to be made by the open access customer.*
 - iii. *When short-term open access has been applied for the first time by any person, the buyer or the seller, the concerned SLDC/RLDC shall issue to the applicant standing clearance, within seven (7) working days of receipt of the application.*
- (4) *In case the concerned SLDC/RLDC finds that the application for standing clearance is incomplete or defective in any respect, it shall communicate the deficiency or defect to the applicant through NOAR within two (2) working days of receipt of application:*

Provided that in cases where the concerned SLDC/RLDC has communicated any deficiency or defect in the application, the date of receipt of application shall be the date on which the application has been received duly completed after removing the deficiency or rectifying the defects, as the case may be.

- (5) *In case the application has been found to be in order but the concerned SLDC/RLDC refuses to give the standing clearance on the grounds of non-existence of necessary infrastructure or unavailability of surplus transmission capacity in intra-state/inter-state network as the case may be, or non-submission of the declaration in accordance with proviso to clause (1) of this regulation then such refusal shall be communicated to the applicant through NOAR within the period of three (3) working days or seven (7) working days as the case may be, from the date of receipt of the application along with reasons for such refusal.*

Provided that where the concerned SLDC/RLDC has not communicated any deficiency or defect in the application within two (2) days from the receipt of the application or refusal or standing clearance, as the case may be, within the specified period of three (3) working days or seven (7) working days, as applicable, from the date of receipt of the application, the NOAR shall issue a reminder message to the concerned SLDC/RLDC to respond to the application for refusal or issuance of standing clearance, as the case may be, within the next two working days.

Provided further that if the concerned SLDC/RLDC fails to respond to the reminder message sent through NOAR, then the standing clearance shall be deemed to have been granted.

(6) *The open access customer to whom the standing clearance has been issued or deemed to have been issued, may schedule transactions under any of the categories of short term bilateral or collective transactions in OTC market and/or Power Exchange(s) market provided that the total trade under all types of short-term inter-state transactions does not exceed the quantum of standing clearance issued by the concerned SLDC/RLDC.*

(7) *Violation of the quantum of the standing clearance may lead to withdrawal of the standing clearance by the concerned SLDC/RLDC under intimation to the NOAR.*

Provided that persistent default (more than 3 such events) shall lead to debarring of the open access customer from NOAR for a minimum period of one month.

Provided further that NOAR shall also display a list of such defaulters on the website.

(8) *The concerned SLDC/RLDC may revise the quantum (MW) or period of the standing clearance issued in respect of any open access customer in case of transmission constraint or in the interest of secure grid operation or if the allocated transmission corridor is observed to be under-utilized giving reasons for the same.”*

10. Amendment to Regulation 9 (Procedure for Advance Scheduling for bilateral transactions) of Principal Regulations

10.1. In the Clause (1) of Regulation 9 of the Principal Regulations the words “ *application for advance scheduling for a bilateral transaction may be submitted to the nodal agency up to the fourth month*” shall be substituted with ‘*application for advance scheduling for a bilateral transaction may be submitted to the nodal agency through NOAR up to the fourth month*’.

10.2. In the Sub-Clause (c) of Clause (2), (3) & (4) of Regulation 9 of the Principal Regulations the words “*nodal agency shall convey its acceptance or otherwise to the applicant*” shall be substituted with “*nodal agency shall convey its acceptance or otherwise to the applicant through NOAR*”.

10.3. In the Clause (5) of Regulation 9 of the Principal Regulations the words *“it shall convey its reasons to the applicant in writing”* shall be substituted with *“it shall convey its reasons to the applicant through NOAR”*.

11. Amendment to Regulation 10 (Congestion management) of Principal Regulations

11.1. In the Regulation 10 of the Principal Regulations the words *“it shall conduct electronic bidding”* shall be substituted with *“it shall conduct electronic bidding through NOAR”*.

12. Amendment to Regulation 12 (Procedure for scheduling day ahead transactions) of Principal Regulations

12.1. In the Regulation 12 of the Principal Regulations the heading *“Procedure for scheduling day ahead transactions”* shall be substituted with *“Procedure for scheduling day ahead bilateral transactions”*.

13. Amendment to Regulation 13 (Procedure for scheduling of transactions in a contingency) of Principal Regulations

13.1. In the Regulation 13 of the Principal Regulations the heading *“Procedure for scheduling of transactions in a contingency”* shall be substituted with *“Procedure for scheduling contingency bilateral transactions”*.

13.2. In the Regulation 13 of the Principal Regulations the words *“apply to the nodal agency for short-term open access and scheduling”* shall be substituted with *“apply to the nodal agency for short-term open access and scheduling through NOAR”*.

14. New Regulation 13A – Procedure for scheduling collective transactions

14.1. New Regulation “13A” shall be added after Regulation 13 of the Principal Regulations as provided below:

“Procedure for scheduling collective transactions

13A. The Power Exchange shall make an application to the nodal agency through the NOAR for scheduling of the collective transactions discovered on its platform. The nodal agency shall approve or advise the Power Exchange to revise the application for scheduling of collective transactions based on the transmission corridor availability in accordance with the detailed procedures.”

15. Amendment to Regulation 14 (Revision of Schedule) of Principal Regulations

15.1. In the Regulation 14 of the Principal Regulations the words *“made to the nodal agency by the short term customer”* shall be substituted with *“made to the nodal agency by the short term customer through NOAR”*.

16. Amendment to Regulation 15 (Curtailement in case of transmission constraints) of Principal Regulations

16.1. In the clause (2) of Regulation 15 of the Principal Regulations the words *“be conveyed to the affected short-term customers”* shall be substituted with *“be conveyed to the affected short-term customers through NOAR”*.

17. New Regulation 18A

17.1. New Regulation “18A” shall be added after Regulation 18 of the Principal Regulations as provided below:

“18A. All charges payable under these regulations shall be paid online through the payment gateway made available in the NOAR.”

18. New Proviso to Regulation 25A

18.1. New proviso to Regulation 25A of the Principal Regulations shall be added as provided below:

“Provided that if the default in payment exceeds 90 days from the due date of payment of the charges as mentioned above, the NLDC or RLDC, as the case may be, may deny short term open access to the defaulting entity without approaching the Commission for specific directions in this regard.”

19. Amendment to Regulation 27 (Information System-National Load Despatch Centre and Regional Load Despatch Centre) of Principal Regulations

19.1. In the Regulation 27 of the Principal Regulations the heading *‘Information System-National Load Despatch Centre and Regional Load Despatch Centre’* shall be substituted with *“Information System-NOAR”*.

19.2. In the Regulations 27 of the Principal Regulations the words *“National Load Despatch Centre and each Regional Load Despatch Centre shall post the following information on their website in a separate web page titled ‘Open access*

information” shall be substituted with “NOAR shall give information regarding open access in interstate transmission including but not limited to the following:”

19.3. In the clause (a) of Regulations 27A of the Principal Regulations the words *“List of bilateral transactions for which concurrence has been granted and list of entities to whom concurrence or no objection or prior standing clearance, as the case may be, has been granted till the end of the month in which such concurrence or no objection or prior standing clearance has been granted, indicating:”* shall be substituted with *“List of entities to whom standing clearance, has been granted till the end of the month indicating:”*

19.4. In the sub-clause (ii) of clause (a) of Regulations 27A of the Principal Regulations the words *“Period of concurrence or no objection or prior standing clearance, as the case may be ”* shall be substituted by *“Period of standing clearance”*

19.5. In the clause (d) of Regulations 27A of the Principal Regulations the words *“concurrence or no objection or prior standing clearance, as the case may be ”* shall be substituted by *“standing clearance”*

Sd/-
(Sanoj Kumar Jha)
Secretary

Note:

1. The Principal Regulations were notified on 7.2.2008 in the Gazette of India Extraordinary Part-III, Section 4, Sr. No. 10.
2. The Principal Regulations were amended vide
 - i. Central Electricity Regulatory Commission (Open Access in inter-State Transmission)(Amendment) Regulations, 2009 notified on 29.5.2009 in Part III, Section 4, Sr. No.10 of the Gazette of India Extraordinary.
 - ii. Corrigendum notified on 10.6.2009 in Gazette of India Extraordinary Part-III, Section 4, Ser. No. 10.
 - iii. Central Electricity Regulatory Commission (Open Access in inter-State Transmission) (Second Amendment) Regulations, 2013, notified on 11.9.2013 in the Gazette of India Extraordinary Part-III, Section 4, Sr. No. 237.

- iv. Central Electricity Regulatory Commission (Open Access in inter-State Transmission) (Third Amendment) Regulations, 2015, notified on 12.5.2015 in the Gazette of India Extraordinary Part-III, Section 4, Sr. No. 237.
- v. Central Electricity Regulatory Commission (Open Access in inter-State Transmission) (Fourth Amendment) Regulations, 2016, notified on 22.6.2016 in the Gazette of India Extraordinary Part-III, Section 4, Sr. No. 279.