

# Open Access Regulations & Applicable Charges Manual & Reference Guide 2022



# Open Access Regulations & Applicable Charges Manual & Reference Guide 2022

The new & effective regulations coupled with charges applicable for open access transactions on a state wise track basis by [eninrac consulting](#) to enable ease of understanding

## Volume I



### Regulatory Tracker

Inclusive of compendium of state wise regulations applicable till May 2022 for open access transactions



### Charges Tracker

Inclusive of compendium of state wise charges applicable till May 2022 for open access transactions



## Section 1

# What is Open Access ?

### **According to Electricity Act 2003 :**

Open access is “the non-discriminatory provision for the use of transmission lines or distribution system or associated facilities with such lines or system by any licensee or consumer or a person engaged in generation in accordance with the regulations specified by the Appropriate Commission”



## Chhattisgarh Emerging as a Breeding Ground for Green Open Access Transactions

Open Access in India was introduced to ease the purchase of electricity by commercial and industrial consumers. [According to sub-section 2, of section 42 of the Electricity Act 2003](#), electricity consumers now have the right to procure power from the supplier of their choice other than the distribution company that they were buying from. They can use the existing transmission and distribution infrastructure after paying appropriate charges determined by their respective State Electricity Regulatory Commissions (SERCs) For e.g., a consumer in Assam has the right to select any generator for supplying electricity to his desired destination by using the existing transmission and distribution network. This generator chosen may be generating power in Assam or any other State in India.

Over the past decade, open access has been quite a successful business model, as there has been a spurt in the industrialization and commercialization and so is the cost of electricity for these C&I consumers. It is pertinent to note that over the last decade many micro, small and medium enterprises have mushroomed across the country with major concentration in Uttar Pradesh, West Bengal followed by Tamil Nadu & Maharashtra. Besides, Karnataka, Andhra Pradesh, Gujarat & Bihar too are hubs for MSMEs in India posing good business case for open access. Further, the growth witnessed in the commercial establishments such as IT parks, data centers, corporate parks, food parks, recreational hubs etc. , that too has accentuated the volume of OA transactions in these states.

Another state that is witnessing a good traction of industries off late is Chhattisgarh. The focus areas of the state government for setting up industries is electronic and engineering , food processing , ethanol , gems and jewellery & forest produce. With such more industry clusters planned across the state in Bilaspur, Durg, Bhilai, Korba and Raigarh there is a vast untapped market for green open access as the state is giving impetus on developing renewable energy sources . Further, the state has also increased the tune of renewable purchase obligation (RPO) from **17.5 % to 21.18 %** from 2019 till 2022. Moreover, with the recent Green Open Access Rules (GOAR), 2022 in picture the open access transaction has been reduced from **1MW to 100 KW** for green energy to enable small consumers to purchase renewable power through open access, this further strengthens the case for green open access not only in Chhattisgarh but in other states as well.

Further, the state has also evolved its regulations and policies pertaining to open access making it an attractive breeding ground for the players. For instance, in January 2022, the Chhattisgarh

## Section 2

# State Wise Regulations

In Chhattisgarh, there is a provision of 100% banking for captive & third-party models

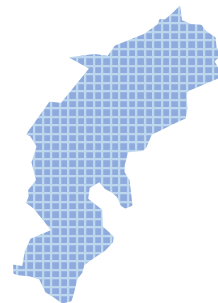


## State Wise Regulations Index Tracker

State Electricity Regulatory Commission issued amendments to its Grid interactive Distributed Renewable Energy Sources Regulations 2019, for solar power projects. As the proposed amendments, cross subsidy surcharges and state load dispatch center charges are exempted for the entire life of the projects for the first **500 MW** of solar open access.

Exhibit 1.1 Open Access Regulations and Charges Applicable in the state of Chhattisgarh - Key Features

### State - Chhattisgarh



State Discom - CSPDCL



Voltage Level – Power Transmission  
132KV, 220KV & 400KV



Voltage Level – Power Distribution  
11kv & 33kv

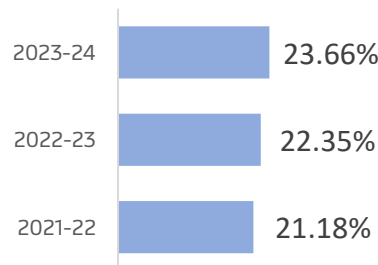
# 0%

Cross subsidy surcharge applicable for open access through solar

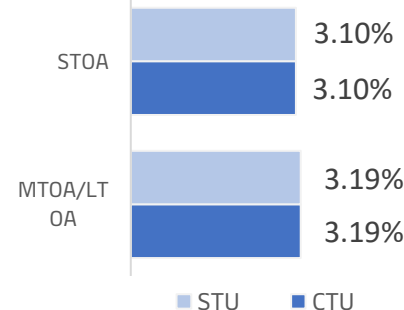


Exemptions in OA charges for captive players through solar

RPO Target of Chhattisgarh\*



CTU & STU Losses (Intra State)



Charge type	Exemption tune
CTU charge	●
STU charge	●
Wheeling charge	●
Cross subsidy surcharge	●
Additional surcharge	●
Electricity duty	●

● 100% exemption

Source : Eninrac, CSERC, Channel Checks

## Section 3

# GOAR, 2022

Captive consumers  
can take power  
under Green Open  
Access with no  
minimum limitation



## Green Open Access Rules 2022 More Steam to be Witnessed in the OA activities

In order to further accelerate renewable energy development in India and to aid the states to meet their RPO targets, Govt introduced open access rules on 6<sup>th</sup> June 2022. These rules are notified for promoting generation, purchase and consumption of green energy including the energy from Waste-to-Energy plants. Further, the rules also focused upon simplifying procedure for the open access to green power. The main objective of GOAR 2022 was to enable faster approval of Green OA, uniform banking, voluntary purchase of RE power by commercial & industrial consumers etc. Key salient features of the said rules are given below -



**Reduced OA transaction limit** – it has been reduced from 1MW to 100 KW for green energy to enable small consumers also to purchase renewable power through open access



**Provide certainty** -on open access charges to be levied on Green Energy Open Access Consumers which includes transmission charges, wheeling charges, cross-subsidy surcharge and standby charges



**Cap on increasing CSS** - increasing of cross-subsidy surcharge as well as the removal of additional surcharge, not only incentivize the consumers to go green but also address the issues that have hindered the growth of open access in India



**Quick Approval** -Approval to be granted in 15 days or else it will be deemed to have been approved subject to fulfilment of technical requirements



**Determination of green tariff**- The tariff for the green energy shall be determined separately by the Appropriate Commission, which shall comprise of the average pooled power purchase cost of the renewable energy, cross-subsidy charges if any, and service charges covering the prudent cost of the distribution licensee for providing the green energy to the consumers



**Banking** – Banking of surplus energy with the distributed licensee mandated

## Section 3

# GOAR, 2022

## What all you will find in the manual ?

Important definitions



Major policy provisions



Major regulatory provisions



Exemption provisions for RE



Component wise OA charges



Inter/intra state OA provisions



STOA/MTOA/LTOA provisions



State wise coverage



## Green Open Access Rules 2022 More Steam to be Witnessed in the OA activities



**Green certificates** - Consumers will be given the green certificates if they consume green power



**Cross subsidy surcharge** - and additional surcharge shall not be applicable if green energy is utilized for production of green hydrogen and green ammonia

Undoubtedly, GOAR 2022 will steam the trade of green energy in the country but will also imbibe high competition with change in the market dynamics. Initially OA market in India was majorly dominated by the large players, but the proposed reduction in OA limit from 1 MW to 100 MW shall open doors for many small and unorganized C&I players dashing the solar rooftop market. Further, with the presence of more unorganized C&I consumers the captive and group captive business model shall flourish but with tight margins. Hence, it will be an imperative for both the buyers as well as suppliers' to be on the top of their game and stay updated with the minutest of the market information from time to time.

To support this need, Eninrac Consulting Private Limited has launched a dossier **Open Access Regulations & Applicable Charges Manual & Reference Guide 2022**. The manual has been prepared in a view to support one time as well as cyclic requirements of the industry stakeholders regards the information per se- (i) applicable charges (ii) applicable regulations This shall include component wise breakup of open access charges such as – **cross subsidy surcharge, banking charges, SLDC charges, STU charges, CTU charges, additional surcharges, CTU/STU losses**. Further, the manual also covers all the applicable **exemptions, connectivity conditions , applicable fees & nodal agencies for STOA, MTOA & LTOA etc**. All the tracked information shall be done for both inter state and intra state transactions. To learn the detailed coverage , download the table of content of the manual.

To learn the commercials for one-time report and annual subscription of the same, write to us at [connect@eninrac.com](mailto:connect@eninrac.com)

OA Regulations &  
Applicable  
Charges Manual &  
Reference Guide

2022



Address

Delhi: 5<sup>th</sup> Floor Caddie  
Commercial Tower, Aerocity  
(DIAL), New Delhi - 110037

NCR: 1<sup>st</sup> Floor, Joy Tower, C-20,  
1/1A, C Block, Phase 2,  
Industrial Area, Sector 62,  
Noida, Uttar Pradesh - 201301

Online

[www.enirac.com](http://www.enirac.com)

Query

Drop your queries regarding price/  
any other service support at  
[connect@enirac.com](mailto:connect@enirac.com)

Thankyou