

**GOVERNMENT OF INDIA  
POWER  
LOK SABHA**

STARRED QUESTION NO:150  
ANSWERED ON:11.12.2003  
GUIDELINES BY CERC  
A.F. GOLAM OSMANI;SHYAMA SINGH

**Will the Minister of POWER be pleased to state:**

- (a) whether the Central Electricity Regulatory Commission has recently announced guidelines and enabling procedures for open access in the transmission in the power sector;
- (b) if so, the details in this regard;
- (c) whether the distribution companies and trading companies are likely to be benefited by the guidelines of the Central Electricity Regulatory Commission; and
- (d) if so, the extent to which these companies are likely to be benefited?

**Answer**

THE MINISTER OF POWER ( SHRI ANANT GANGARAM GEETE )

(a) to (d) : A Statement is laid on the Table of the House.

STATEMENT

STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (d) OF STARRED QUESTION NO. 150 TO BE ANSWERED IN LOK SABHA ON 11.12.2003 REGARDING GUIDELINES BY CERC.

(a) to (d) : The Central Electricity Regulatory Commission (CERC) has issued an order on open access in the inter-State transmission on 14.11.2003.

The CERC order provides that all transmission service providers in the country including POWERGRID shall provide non-discriminatory open access for inter-State transmission to any distribution company, trader, generating company, captive plant or any permitted consumer with immediate effect. Apart from creating new options for distribution companies and bulk customers for buying power this will facilitate competition in the power generation industry as envisaged in the Electricity Act, 2003. The salient features of the order are at Annexure.

ANNEXURE

ANNEXURE REFERRED TO IN PARTS (a) TO (d) OF THE STATEMENT LAID IN REPLY TO STARRED QUESTION NO.1 BE ANSWERED IN THE LOK SABHA ON 11.12.2003 REGARDING GUIDELINES BY CERC.

**Salient Features of CERC's order on open access in inter-state transmission**

- Existing Regional Postage Stamp pricing method is to be applied.
  
- Discoms, Traders, IPPs, captive Plants can immediately avail inter-State open access.
- Two categories of open access customers - short term and long term.
- Nodal Agency for short term customers will be the RLDC within which the point of drawal is located.
- CTU will be the nodal agency for long term customers.
  
- Minimum 5 years commitment required for becoming long term customer.
  
- Long term customers to be treated at par with original beneficiaries of the CTU network.
  
- Short term customers will be curtailed first in case of transmission constraint.

- Mismatches in the energy drawals by the open access customers to be billed as per the existing frequency linked unscheduled interchange charges under Availability Based Tariff (ABT).

- CERC recommends adoption of ABT at the State level.