

**GOVERNMENT OF INDIA
POWER
LOK SABHA**

UNSTARRED QUESTION NO:1180
ANSWERED ON:17.08.2012
CROSS SUBSIDY CHARGE
Rao Shri Sambasiva Rayapati

Will the Minister of POWER be pleased to state:

- (a) whether drawing power has largely been a constraint owing to poor access from distribution companies and their demand for paying cross-subsidy charge;
- (b) if so, the details thereof; and
- (c) the steps being taken by the Government to ease the situation in future in coordination with State Governments including Andhra Pradesh?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF POWER (SHRI K.C. VENUGOPAL)

(a) to (c): The Tariff Policy notified by the Government of India vide Resolution dated 6th January 2006 provides for the method of calculation of cross subsidy surcharge and additional surcharge and wheeling charges for Open Access.

Implementation of Intra-State Open Access rests with the State/ Joint Electricity Regulatory Commissions. As per information available with Forum of Regulators (FOR) secretariat, a statement indicating detailed status of steps taken towards implementation of intra-State open access and determination of open access charges is at Annex.

FOR undertook a study on `Open Access: Theory and Practice` which recommended the standard practices that need to be followed to remove the hurdles in implementing open access. Further, FOR issued model Regulations on Terms and Conditions of Intra-State Open Access to be framed by State Electricity Regulatory Commission. The model regulations seeks to address several critical issues like processes and procedures, nodal agencies for seeking open access, various charges including transmission and wheeling charges and surcharge, imbalance settlement, metering, billing etc.

Ministry of Power had requested to all the State Governments to peruse these model regulation and take necessary action for their notification on similar lines by the State Regulatory Commissions.

Further, a review meeting was held in the Ministry on 20th April, 2011 to assess the progress made by the State Governments (including Andhra Pradesh) in implementation of open access and also the progress of notification of Intra-State Open Access Regulations by State Electricity Regulatory Commissions (SERCs) on the basis of model regulations issued by FOR.