HARYANA ELECTRCITY REGULATORY COMMISISON
BAYS NO. 33-36, SECTOR – 4, PANCHKULA – 134112, HARYANA
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Discussion Paper for inviting comments/objections from stakeholders/general public for finalization of the Haryana Electricity Regulatory Commission (Green Energy Open Access) Regulations, 2023.

Statement of Objects & Reasons

1. Section 181 of the Electricity Act, 2003 empowers the Commission to frame various regulations specified therein. The Section 181 (1) provides that "The State Commission may, by notification, make regulations consistent with this Act and the Regulations generally to carry out the provisions of this Act." Further, the "Regulations" has been defined at Section 2 (59) as "Regulations means Regulations made under this Act". Additionally, Section 176 and Section 180 of the Electricity Act, 2003 empowers the Central/State Governments to make Regulations for carrying out the provisions of this Act.

2. That the Ministry of Power, Government of India, has notified, on 06th June, 2022, the Electricity (Promoting Renewable Energy Through Green Energy Open Access) Regulations, 2022, applicable on generation, purchase and consumption of green energy as defined therein including waste-to-energy power plants.

3. Consequent to the notification of the Green Energy Open Access Regulations, 2022, the Central Government has notified, on 08.07.2022, the Power System Operation Corporation Limited now known as Grid Controller of India Ltd. (POSOCO), as the Central Nodal Agency to set up and operate a single window green energy open access system for renewable energy.

4. As per Rule 7 of the Regulations, POSOCO was required to prepare a common format for administration and grant of green energy open access by the Central Nodal Agency. Accordingly, POSOCO framed the procedure of green energy open access and submitted to Forum of Regulators (FOR) on 17.11.2022.

5. Further, as per Rule 12 (1) of the Regulations, FOR was required to prepare a model regulation on methodology for calculation of open access charges, as well as banking charges, in order to have a common methodology for calculation of open access charges. The same was approved by FOR in its 82nd meeting held on 16.09.2022.

6. In the above backdrop, it is noted that India has set an ambitious target of non-fossil energy capacity of 500 GW by 2030, out of which 280 GW is expected to be the share of solar generation. India has a target of 5 million ton a year of green hydrogen capacity by 2030. By the year 2070, India has a target to achieve Net Zero Carbon Emissions i.e. Carbon Neutral.

7. Accordingly, in order to promote renewable energy, Haryana Electricity Regulatory Commission (Green Energy Open Access) Regulations, 2023, is proposed to be introduced as per Annexure A, so that Haryana can contribute to the targets set at the national level. The proposed regulations shall be applicable, qua the green energy stakeholders, notwithstanding anything to the contrary contained in any other regulations for the time being in force, unless specifically mentioned in these regulations.

ANNEXURE - A

HARYANA ELECTRICITY REGULATORY COMMISSION
BAYS NO. 33-36, SECTOR-4, PANCHKULA – 134112

Draft Notification

Regulation No. HERC/59/2023:- The Haryana Electricity Regulatory Commission, in exercise of the powers conferred on it by section 181 of the Electricity Act 2003 (Act 36 of 2003) and all other powers enabling it in this behalf, after previous publication, makes the following regulations:-

1. Short title, commencement, extent of application and interpretation._

(1) These Regulations may be called the Haryana Electricity Regulatory Commission (Green Energy Open Access) Regulations, 2023.

(2) These regulations shall come into force on the date of their publication in the Haryana Government Gazette.

(3) These regulations shall extend to the whole state of Haryana

(4) These regulations shall be applicable on generation, purchase and consumption of green energy as defined herein including waste-to-energy power plants, notwithstanding anything contrary containing in any other regulations, for the time being in force.

Provided that other conditions of grant of connectivity and open access in respect of green energy generation, purchase and consumption, to which no express provision has been made in these regulations, shall be in accordance with the provisions of HERC Forecasting, Scheduling and Deviation Settlement for Solar and Wind Generation Regulations, 2019, Haryana Electricity Regulatory Commission (Terms and conditions for grant of connectivity and open access for intra-State transmission and distribution system) Regulations, 2012 and Haryana Electricity Regulatory Commission (Terms and Conditions for determination of Tariff from Renewable Energy Sources, Renewable Purchase Obligation and Renewable Energy Certificate) Regulations, 2021, as amended from time to time.

2. **Definitions :** (1) In these regulations, unless the context otherwise, requires:

(a) "Act" means the Electricity Act, 2003 (36 of 2003);

(b) "Forum of Regulators (FOR)" means the forum as referred to in sub-section (2) of section 166 of the Act.

(c) "Green energy" means the electrical energy from renewable sources of energy including hydro and storage (if the storage uses renewable energy) or any other technology as may be notified by the Government of India from time to time and shall also include any mechanism that utilizes green energy to replace fossil fuels including production of green hydrogen or green ammonia as may be determined by the Central Government.

(d) "obligated entity" means the entities mandated to fulfill Renewable Purchase Obligation, which includes distribution licensee, captive user, and open access consumer, as specified under Haryana Electricity Regulatory Commission (Terms and Conditions for determination of Tariff from Renewable Energy Sources, Renewable Purchase Obligation and Renewable Energy Certificate) Regulations, 2021, as amended from time to time.

(e) "Billing Cycle" shall have the same meaning as has been specified under the Haryana Electricity Regulatory Commission (Electricity Supply Code) Regulations, 2014, as amended from time to time.

(2) The words and expressions used and not defined herein but defined in the Act shall have the meanings respectively assigned to them in the Act. The other expressions used herein but not specifically defined in the regulations or in the Act but defined under Haryana Electricity Reform Act, 1997 (Act 10 of 1998) or the Indian Electricity Grid Code or the Haryana Grid Code or the Haryana Electricity Regulatory Commission (Terms and Conditions for determination of Tariff for Generation, Transmission, Wheeling and Distribution & Retail Supply under Multi Year Tariff) Regulations, 2019, HERC Forecasting, Scheduling and Deviation Settlement for Solar and Wind Generation Regulations, 2019, Haryana Electricity Regulatory Commission (Terms and conditions for grant of connectivity and open access for intra-State transmission and distribution system) Regulations, 2012 and Haryana Electricity Regulatory Commission (Terms and Conditions for determination of Tariff from Renewable Energy Sources, Renewable Purchase Obligation and Renewable Energy Certificate) Regulations, 2021 as amended / reenacted from time to time, shall have the meanings assigned to them respectively in the Haryana Electricity Reform Act, 1997 (Act 10 of 1998) or the Indian Electricity Grid Code or the Haryana Grid Code or any other relevant

Regulations in vogue , provided that such definitions in the Haryana Electricity Reform Act, 1997 are not inconsistent with the provisions of the Electricity Act, 2003;

3. **Applicability:** This Regulations shall be applicable for generation, purchase and consumption of green energy as defined under clause (c) of rule 2, including the energy from Waste-to-Energy plant.

These regulations shall apply where an application has been made for grant of connectivity in respect of green energy for the purpose of open access to the intra-state transmission and or distribution system and or where such an application has been made for long term open access, medium term open access or short term open access for use of the intra- State transmission and or distribution system including when such system is used in conjunction with inter-State transmission system.

Provided that a generating station, including captive generating plant, or a consumer / person shall not be eligible to apply for long term or medium term or short term open access unless he has the connectivity or he applies for connectivity to the intra-State transmission or distribution system as the case may be.

Provided further that a person may apply for connectivity as well as long term or medium term or short term open access simultaneously.

4. **Renewable Purchase Obligation:**

Any entity, whether obligated or not may elect to generate, purchase and consume renewable energy as per their requirements by one or more of the following methods:-

(A) Own Generation from renewable energy sources:- There shall not be any capacity limit for installation of power plants from renewable energy sources, by obligated entities for their own consumption and such plants may be set up at any location in India and power shall be transmitted by using open access.

Provided that the generating plant may be set up by the entity itself or by a developer with which the entity enters into a power purchase agreement.

(B) By procuring Renewable Energy through Open Access from any Developer either directly or through a trading licensee or through power markets.

Explanation: (1) Developer means the generating company who generate electrical energy from renewable sources of energy.

(2) Trading Licensee means a person who has been granted a licence by appropriate commission, for purchase of electricity for resale thereof.

(C) By requisition from distribution licensee:-

(a) Any consumer may elect to purchase green energy either up to a certain percentage of the consumption or its entire consumption and they may place a requisition for this with their distribution licensee, which shall procure such quantity of green energy and supply it and the consumer shall have the flexibility to give separate requisition for solar and non-solar;

(b) The consumer may purchase on a voluntary basis, more renewable energy, than he is obligated to do.

(c) The tariff for the green energy shall be determined separately by the Commission.

(d) Any requisition for green energy from a distribution licensee shall be for a minimum period of one year;

(e) The quantum of green energy shall be pre-specified for at least one year;

(f) The green energy purchased from distribution licensee or from Renewable Energy sources other than distribution licensee in excess of Renewable Purchase Obligation of obligated entity shall be counted towards Renewable Purchase Obligation compliance of the distribution licensee;

(g) The Accounting of renewable energy supplied at distribution licensee level shall be on a monthly basis;

(D) By consuming green energy from captive power plant.

(E) By purchasing of renewable energy certificates in accordance with the applicable regulations.

(F) Purchase of green hydrogen or green ammonia; the obligated entity can also meet their Renewable Purchase Obligation by purchasing green hydrogen or green ammonia and the quantum of such green hydrogen or green ammonia would be computed by considering the equivalence to the green hydrogen or green ammonia produced from one MWh of electricity from the renewable sources or its multiples, as per the norms notified by the Central Commission.

(G) Any other sources, as may be, determined by the Central Government.

5. **Eligibility criteria for Green Energy Open Access:**

The consumers who have contracted demand or sanctioned load of hundred kW and above shall be eligible to take power through Green Energy Open Access and there shall

be no limit of supply of power for the captive consumers taking power under Green Energy Open Access.

Provided that such open access shall be for a minimum twelve time blocks of 15 minutes time interval during a day, for which the consumer shall not change the quantum of power consumed through open access.

Provided further that all applications for open access of green energy shall be allowed by the State Nodal Agency within a period of fifteen days.

Provided further that such consumer of a distribution licensee shall be entitled for seeking open access provided he is connected through an independent feeder emanating from a grid sub-station. In case of more than one such consumer on such independent feeder, the following condition shall apply:-

A group of two or more consumers of a distribution licensee having a contracted demand or sanctioned load of hundred kW and above connected to the distribution system of licensee at 11 kV or above through an independent feeder emanating from a grid sub-station, shall also be entitled for seeking open access if all such consumers collectively apply for open access through a group representative to be nominated by all such consumers on that feeder provided that all such consumers shall have necessary infrastructure for time-block wise energy metering and accounting installed at their premises and provided further that schedule of power through open access of individual consumers shall also be supplied by the group representative. However, all the individual consumers of the group shall have to separately pay the prescribed application fee and SLDC charges. Alternately if such a group of consumers agree for a single point connection, the group as a whole shall be treated as a single consumer for all practical purposes including scheduling, metering and billing and in that case individual ABT metering equipment will not be required. The application fee and SLDC charges shall also be charged for a single application. The billing shall be done based on ABT meter installed on the independent feeder at the sub-station and the contract demand of the group shall be taken as the sum of the contract demands of the individual consumers. Other terms and conditions applicable under this alternative shall be as prescribed by the Commission in the Haryana Electricity Regulatory Commission (Single Point Supply to Employers' Colonies, Group Housing Societies and Residential or Commercial cum Residential Complexes of Developers) Regulations, 2013, as amended from time to time.

Provided further that the consumers of a distribution licensee with contract demand of 100 KW or above who are not on independent feeders may be allowed open access subject

to the condition that they agree to the system constraints as well as the power cut restrictions imposed by the distribution licensee serving them. In such cases, under drawl, if any, on account of power cut restrictions shall not be compensated.

Provided further that the grant of open access to such consumers shall be subject to the condition that if power is scheduled to be sold/procured through open access in any time slot of the day, it shall not be less than 100 kW.

Provided further that such consumers, having been declared insolvent or bankrupt or having outstanding dues against him for more than two months billing of the distribution / transmission licensee or having a case of unauthorized use of electricity/theft of electricity pending against him at the time of application, shall not be eligible for open access.

Provided further that the green energy open access consumer shall restrict the sum of his total drawl from open access and from the distribution licensee upto the total sanctioned contract demand. The maximum admissible drawal in any time block during the day for green energy open access consumer shall be the difference of sanctioned contract demand and scheduled entitlement.

6. **Nodal Agency:**

(1) The Central Government has notified the 'POSOCO' as the Central Nodal Agency to set up and operate a single window green energy open access system for renewable energy.

(2) SLDC with Headquarter at Panchkula in Haryana shall be the State Nodal Agency for grant of green energy open access for short term (upto a month) and the State Transmission Utility (STU), shall be the nodal agency for grant of Green Energy Open Access, for medium (one month to three years) and long term (more than three years).

(3) All the applications related to connectivity and green energy open access shall be received and processed at STU Headquarter in accordance with the detailed procedure.

7. **Procedure for grant of Green Energy Open Access:**

(1) The detailed procedure for grant of connectivity and Green Energy Open Access including the application format and applicable Bank Guarantees/Fee/Charges etc., shall be prepared by the State Nodal agency, within a period of 30 days from the date of notification of these regulations and filed in this Commission for approval. The STU may be guided by the procedure prepared by POSOCO (The Grid Controller of India Ltd.) for grant of green energy open access.

(2) All the applications for the Green Energy Open Access complete in all respects, shall be submittedon the portal set up by the Central Nodal Agency and these applications shall get routed to the State nodal agency as specified by the Commission under these Regulations for grant of green energy open access.

(3) The State Nodal Agency shall, by an order in writing, approve the applications for the Green Energy Open Access within a period of fifteen days from the date of receipt of complete application for connectivity/open access, failing which it shall be deemed to have been approved subject to the fulfillment of the technical requirements as specified by the Commission:

Provided that the order of processing of such applications for Green Energy Open Access shall be first in first out.

(4) The Short term and medium term open access shall be allowed, if there is sufficient spare capacity available in the transmission system without any augmentation whereas for long term open access, the transmission system may be augmented if required:

Provided that priority shall be given to long term in the existing system if spare capacity is available and further, open access for non-fossil fuel sources shall be given priority over the open access from the fossil fuel.

Explanation:

For the purposes of this rule, the expression 'Fossil Fuel" includes the fuels such as coal, lignite, gas, liquid fuel or combination of these as its primary source of energy, which are used in Thermal Generating Station for generating electricity.

(5) No application for open access shall be denied unless the applicant has been given an opportunity of being heard in the matter by the State Nodal Agency and all orders denying open access shall be speaking orders.

(6) Appeals against an order of the State Nodal Agency, shall lie before the Commission, within a period of thirty days from the date of receipt of order under sub-rule (4) of rule 7.

(7) The Commission shall dispose the appeal within a period of three months and the order issued by it, shall be binding on the parties.

8. **Banking:**

RE based captive generating plants may bank power, up to contract demand for captive/own use on payment of the banking charges along with the transmission and distribution losses (Technical loss) for availing the open access on the transmission or

distribution network of the licensees for banking and drawl of banked power from the Discoms after entering into the banking agreement with the Discoms concerned at the terms and condition specified as under:

(1) The energy banked shall not be permitted to be carried forwarded to next billing cycle. The banked power shall be utilized within the same billing cycle failing which the unutilized energy at the end of the billing cycle shall lapse, and no compensation whatsoever shall be claimed/ paid for such lapsed banked energy.

(2) Banking shall be permitted on a billing cycle basis on payment of charges in kind @ 8% of the energy banked.

(3) The permitted quantum of banked energy by the Green Energy Open Access consumers shall be at least thirty percent of the total monthly consumption of electricity from the distribution licensee by the consumers. The excess energy banked shall be treated as dumped energy for which no payment shall be made and shall not be carried forward to next month.

Explanation:

For the purposes of this rule, the expression “banking” means the surplus green energy injected in the grid and credited with the distribution licensee energy by the Green Energy Open Access consumers and that shall be drawn along with charges.

(4) Provided further that the un-utilised surplus banked energy shall be considered as lapsed at the end of each banking cycle and the renewable energy generating station shall be entitled to get renewable energy certificates to the extent of the lapsed banked energy.

(5) Banked energy not drawn as per schedule, shall be considered as dumped energy & shall lapse.

(6) The banking shall be allowed throughout the billing cycle, however, the drawl of banked power shall not be allowed during the peak load hours as mentioned in the ToD tariff approved by the Commission.

(7) The RE power shall be adjusted on a first charge basis in order of consumption of energy by a consumer. The banking will be counted on daily basis for the purpose of monthly account.

(8) Settlement of wheeled energy at consumer end shall be in the following order of priority:

1. RE generation after deduction of losses.
2. Captive Power

3. Banked Energy
4. Open Access Power through Exchange / Bi-lateral transactions
5. Discom power

(9) The energy accounts of all banking transactions shall be maintained by SLDC. The licensee shall prepare a detailed procedure for banking along with model banking agreement within a period of 30 days of the notification of these regulations.

9. **Charges to be levied for Open Access:**

(1) The charges to be levied on Green Energy Open Access consumers shall be as follows:-

a) Transmission charges;
b) Wheeling charges;
c) Cross subsidy Surcharge;
d) Standby charges wherever applicable;
e) Banking charges; and
f) other fees and charges such as Load Despatch Centre fees and scheduling charges, deviation settlement charges as per the prevailing regulations of this Commission.

The methodology for calculation of Transmission, wheeling and cross-subsidy surcharge charges shall be as specified in the Haryana Electricity Regulatory Commission (Terms and Conditions for Determination of Tariff for Generation, Transmission, Wheeling and Distribution & Retail Supply under Multi Year Tariff Framework) Regulations, 2019 as amended from time to time.

Further, as far as scheduling and deviation mechanism is concerned, the same shall be governed by the separate Regulations notified by the Commission.

(2) The Cross subsidy surcharge shall be as per the provisions of tariff policy notified by the Central Government under the Act.

Provided that the cross subsidy surcharge for Green Energy Open Access Consumer purchasing green energy, from a generating plant using renewable energy sources, shall not be increased, during twelve years from the date of operating of the generating plant using renewable energy sources, by more than fifty percent of the surcharge fixed for the year in which open access is granted;

Provided further that the additional surcharge shall not be applicable for Green Energy Open Access Consumers, if fixed charges are being paid by such a consumer:

Provided also that cross subsidy surcharge and additional surcharge shall not be applicable in case power produced from a non fossil fuel based Waste-to-Energy plant is supplied to the Open Access Consumer.

Provided also that Cross subsidy surcharge and additional surcharge shall not be applicable if green energy is utilized for production of green hydrogen and green ammonia.

Provided also that additional surcharge shall not be applicable in case electricity produced from offshore wind projects, which are commissioned upto December, 2025 and supplied to the Open Access Consumers.

(3) The cross subsidy surcharge payable by a consumer shall be such as to meet the current level of cross subsidy within the area of supply of the distribution licensee.

(4) In case of RE Open Access, the consumers taking power from such RE Generator may maintain its contract demand with the distribution licensee. In such cases, the distribution licensee is obligated to supply power to such consumer under universal service obligations and Open Access Consumer shall continue paying fixed charges to the distribution licensee.

The standby charges, in such cases, shall be 125% of the energy charges applicable to consumer tariff category, and such charges shall not be applicable if the Green Energy Open Access Consumers have given notice in writing, in advance at least a day in advance before closure time of the Day Ahead Market on D – (minus) day; "D" being the day of delivery of power for standby arrangement to the distribution licensee.

10. **Green certificate.** The distribution licensee shall give green certificate on yearly basis to the consumers for the green energy supplied by the licensee to consumer on his request beyond the renewable purchase obligation of the consumers.

11. **Power to Relax.** – The Commission may by general or special order, for reasons to be recorded in writing, and after giving an opportunity of hearing to the parties likely to be affected may suo moto relax any of the provisions of these regulations or on an application made before it by an interested person.

12. **Issue of orders or directions**. – Subject to the provisions of the Act and these regulations, the Commission may, from time to time, issue orders and procedural directions with regard to the implementation of these regulations and specify the procedure to be followed on various matters, which the Commission has been empowered by the regulations to direct and matters incidental thereto.

13. **Power to amend**. – The Commission may, at any time, add, vary, modify or amend any of the provisions of these regulations.

14. **Power to remove difficulties.** – If any difficulty arises in giving effect to any of the provisions of these regulations, the Commission may, by general or special order, make such provisions, which in the opinion of the Commission are necessary or expedient to do so.

15. **Savings**. – Nothing in these Regulations shall limit the inherent power of the Commission to make such orders as may be necessary to meet the ends of justice or to prevent abuses of the process of law / statutes. Nothing in these Regulations shall bar the Commission from adopting, any other procedure, which may be at variance with any of the provisions of these Regulations, as long as they are in conformity with the provisions of the Electricity Act, 2003 and the policies framed by the Central / State Government thereto.

    Provided that the reasons for any such deviating shall be recorded in writing.

    Provided also that nothing in these regulations shall, expressly or implicitly, bar the Commission from dealing with any matter under these Regulations or exercising any power under the Act for which no regulations have been framed.