## **Open Access**

THE ELECTRICITYACT 2003 is landmark legislation in that it opens the power sector to a number of players by laying down provisions for a power market and competition. As per Electricity Act 2003 **Open Access** is "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".

The State Load Despatch Centre, Bihar is nodal agency for Open Access. As per CERC Open Access regulation, SLDC will give concurrence for interstate & bilateral transaction and No objection / standing clearance for transactions as per application submitted by the customer. Further as per BERC open access regulation, Bihar SLDC has to accord approval for intra – state short term open access and long term open access as per application submitted by the intra state entities.

### Why Open Access?

Open Access enables heavy users with more than 1 MW connected load to buy cheap power from the open market. The concept is to allow the customers to choose from a number of competitive power companies, rather than being forced to buy power from the local utility monopoly. It not only helps the industrial & commercial consumers by ensuring regular electricity supply at competitive rates but also enhances the business of power markets. Open access helps consumers meet their Renewable Purchase Obligations (RPOs) as well.



# **Opportunities for:**

### 1. Generating Companies

No license required for developing a Genstation;

Could sell power to any person through OA;

Easy change in purchaser in the event of default in honoring contract by purchaser.

#### 2. Consumers

Buy power from anywhere; could explore cheaper sources; specially useful for high demand IND/COM consumers.

Industrial houses could consolidate power supply to plants at various locations & build captive power plant to achieve economy.

Minimum Quantum required for open access is 1MW.

### **Connectivity:**

- A consumer having load of 10 MW and above or a Generating Station having capacity of 10 MW and above shall be eligible to obtain connectivity to the intra-State transmission system, unless already connected, and shall apply for connectivity, in accordance with the provisions in the BERC open Access Regulation.
- A Generating Station having installed capacity less than 10 MW shall be eligible to obtain connectivity to the Distribution systemand shall apply for connectivity as per the provisions of these regulations, unless already connected, in accordance with the provisions in the BERC open Access Regulation.

For Application Process and Connectivity Procedure Kindly refer **BERC Open Access Regulation**.

## **Eligibility for Open Access:**

- Special Energy Meters are required to be installed for energy accounting as per CEA metering regulation as amended time to time.
- Available transmission corridor.
- Contract demand should be more than 1MW.
- Payment security for availing open access.

#### **Categorization:**

On the basis of location of buying and selling entity, the open access is categorized as:

- ➤ **Inter State Open Access**: When buying and selling entity belongs to different states. In this case CERC regulations are followed. It is further categorized as:
  - Short Term Open Access (STOA): open access allowed for the period upto three months but for one month at a time.
  - Medium Term Open Access (MTOA): open access allowed for a period of 3 months to 5 years.
  - Long Term Access (LTA): open access allowed for a period exceeding 7 years.

The State Load Despatch Centre, Bihar is nodal agency for Open Access. Open Access can be categorized as advance reservation, first cum first serve, day ahead or same day/intraday basis through bilateral/collective transaction as per CERC Interstate open access regulation. Successful bidder has to provide all the requirements for processing of STOA,MTOA & LTA application through web-based system as per CERC regulations.

➤ Intra State Open Access: When buyer and seller belongs to same state, in this case, BERC regulations are followed. It is further categorized as STOA and LTA and the duration of which depends on the BERC open access regulations.

Further Open Access can be categorized as advance reservation, first cum first serve, day-ahead or same day/intraday basis through bilateral transaction as per BERC Intra state open access regulation. Successful bidder has to provide all the requirements for processing of STOA/LTA application through web-based system as per BERC regulations.

## **Types of Transactions:**

In general, the buyer and seller of electricity can go for bilateral or collective transactions. Bilateral transactions are based on contract entered between the buyer and seller, which are generally facilitated by a trader. In case of collective transactions, the electricity is traded through exchanges, by exchange members. Currently India has two power exchanges i.e. Power Exchange of India Limited (PXIL), Mumbai and Indian Energy Exchange (IEX), New Delhi.

### **Open Access Charges:**

There are several charges to be paid by open access consumers to SLDC, distribution licensee, transmission licensees and other related entities, other than the power purchase cost paid to the generator or supplying entity. These charges include:

- Application Processing fees
- Connectivity Charges
- Verification of PoC Charges as calculated by ERLDC as per CERC regulation
- Transmission Charges of state as per CERC/BERC regulation
- Transmission Losses as per CERC/BERC regulation
- Wheeling Charges
- Cross Subsidy Surcharge
- SLDC Charges as per CERC/BERC regulation
- Registration fees for Long term open access as per BERC regulation
- Computation of Intrastate congestion charges whenever it is made applicable by BERC.
- Any other charges as per requirements of BERC/CERC.

#### **Module:**

Open Access module provide hassle free processing for open access request. All process from user registration to NOC issuance are covered in one module. Module is aligned with latest open access regulation of BERC/CERC. It is web based Module providing easy application process, less processing time and transparent processing.

#### Steps to be followed by New Users in this module

- ❖ Go to sldc.bsptcl.in and click on open access.
- ❖ Initially new user has to pre-register into the module by filling some basis details.
- ❖ After Approval from SLDC official, User will receive approval mail containing username and password with unique reference number.
- Now user has to register in the system by login with username and password provided via mail.
- Again details furnished by user will be verified by SLDC official. Once it is approved, User will receive approval mail.
- ❖ After that they have to raise request in the module as per their requirement and user type.
- ❖ Applicant has to submit proof of payment of application fee with other necessary details.
- ❖ After verification, NOC will be issued by Bihar SLDC.

## Sample Landed Cost

Quantum at Regional Periphery	MW	5
Duration	Days	30
Time	Hrs	24
Energy at Regional Pheriphery		3600000
Energy Rate at Regional Pheriphery		3

Energy Amount payable by Buyer in Bihar		10800000
Bihar POC loss	1.68%	3539520
Bihar Transmission loss	3.92%	3400771
Wheeling loss	3.80%	3271542
Energy at buyer pheriphery in Bihar		3271542
Bihar POC Charge	0.22	731189.6
Bihar state transmission charge	0.23	752454.7
Bihar wheeling charge	0.12	392585
Bihar SLDC operating charge	2000	60000
ER operating charge	2000	60000
Bihar SLDC processing fee		5000
Total amount payable by buyer		12801229
Rate at Buyer's Periphery		3.912904
Cross subsidy	Rs.Kwh	1.82
REC cost	Rs.Kwh	0
Total cost at Buyer's Periphery in Bihar*	Rs.Kwh	5.732904

<sup>\*</sup>Note: Subject to change as per commissions order.

#### **Regulation Links:**

- ➤ BERC open Access Link: <a href="https://berc.co.in/rules-regulations/regulations/consolidated-regulations/1584-terms-and-conditions-of-intra-state-open-access-regulations-2019">https://berc.co.in/rules-regulations/regulations/consolidated-regulations/1584-terms-and-conditions-of-intra-state-open-access-regulations-2019</a>
- > CERC open Access Link:
  - CERC open access regulation 2008>><a href="http://www.cercind.gov.in/07012008/Open-Access-inter-State-Transmission 2008.pdf">http://www.cercind.gov.in/07012008/Open-Access-inter-State-Transmission 2008.pdf</a>
  - CERC open access regulation (1<sup>st</sup> Amendment)
    2009>><a href="http://www.cercind.gov.in/2009/May09/Signed-Final-Open-Access-Amendment-Regulations-2008.pdf">http://www.cercind.gov.in/2009/May09/Signed-Final-Open-Access-Amendment-Regulations-2008.pdf</a>
  - CERC open access regulation (2<sup>nd</sup> Amendment)
    2013>><a href="http://www.cercind.gov.in/2013/regulation/noti11.pdf">http://www.cercind.gov.in/2013/regulation/noti11.pdf</a>
  - CERC open access regulation (3<sup>rd</sup> Amendment)
    2015>>http://www.cercind.gov.in/2015/regulation/Noti12.pdf
  - CERC open access regulation (4<sup>th</sup> Amendment)
    2016>>http://www.cercind.gov.in/2016/regulation/Noti 125.pdf
  - CERC open access regulation (5<sup>th</sup> Amendment)
    2019>><a href="http://www.cercind.gov.in/2019/regulation/Fifth%20Amendment%20to%20">http://www.cercind.gov.in/2019/regulation/Fifth%20Amendment%20to%20</a>
    CERC%20Open%20Access%20Regulations.pdf
  - CERC open access regulation (6<sup>th</sup> Amendment) draft
    2019>><a href="http://www.cercind.gov.in/2019/draft">http://www.cercind.gov.in/2019/draft</a> reg/Open-Access-6thAmendment2019.pdf