

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

**Notification
The 18th September, 2020**

Regulation No. HERC/ 52 / 2020: - 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) read with Section 14 and 16 of the Act and all other powers enabling it in this behalf, after previous publication, hereby frames the following regulations: -

PART - I PRELIMINARY

1. SHORT TITLE, COMMENCEMENT, EXTENT, AND INTERPRETATION

1.1 These regulations shall be called the Haryana Electricity Regulatory Commission (Terms and Conditions of License for Deemed Licensee) Regulations, 2020.

1.2 These regulations shall come into force w.e.f. the date of publication in the Haryana Government Gazette and shall remain in force till reviewed, amended or repealed by the Commission.

1.3 These regulations shall extend to the whole of the State of Haryana.

2. SCOPE OF APPLICATION

2.1 These regulations shall be applicable to deemed licensee under Section 14 of the Act read with the proviso (s) under the territorial jurisdiction of Haryana State.

3. DEFINITIONS AND INTERPRETATION

3.1 **“Act”** means the Electricity Act, 2003 (36 of 2003) as amended from time to time;

3.2 **‘Commission’** means the Haryana Electricity Regulatory Commission referred to in sub-section (1) of section 82 of the Act;

3.3 **‘Full Open Access Consumer’** shall mean Open Access Consumer connected to transmission system or distribution system but not having any contract demand with the distribution licensee within the state;

3.4 **‘Grid Code’** means the Grid Code specified by the Commission under clause (h) of sub-section (1) of Section 86 of the Act.

3.5 **‘Indian Electricity Grid Code’ (or ‘IEGC’)** means the Grid Code specified by

the Central Electricity Regulatory Commission under Section 79(1)(h) of the Act;

3.6 **‘Load Despatch Centre’** means National Load Despatch Centre, Regional Load Despatch Centre or State Load Despatch Centre, as the case may be, responsible for coordinating scheduling of the Buyers and the Sellers in accordance with the provisions of the Grid Code;

3.7 **‘Partial Open Access Consumer’ / ‘Embedded Open Access Consumer’** shall mean Open Access Consumer connected to transmission system or distribution system and having part of his contract demand with the distribution licensee within the state;

3.8 **‘Deemed Licensee’** means a person, who is deemed to be a licensee under Section 14 of the Act.

4. Save as aforesaid and unless repugnant to the context or the subject-matter otherwise requires, words and expressions used in these regulations and not defined, but defined in the Act, or the Grid Code or any other regulations of this Commission shall have the meaning assigned to them respectively in the Act or the Grid Code or any other regulation as the case may be.

5. **General Conditions**

Compliance with Regulations, Codes, Orders, Guidelines and Directions

5.1 The deemed licensee, under Section 14 read with Section 16 of the Electricity Act, 2003, shall comply with the regulations/ codes/ orders/ guidelines/ directions including practice directions issued by the Commission from time to time and shall act in accordance with these terms, except where the licensee obtains the approval of the Commission for any deviation of such regulations/ codes/ orders/ guidelines/ directions and terms. The Licensee shall also comply with Regulations, Orders and Directions issued by National Load Despatch Centre, Regional Load Despatch Centre and the State Load Despatch Centre, Central Electricity Authority and other statutory authorities under the Electricity Act, 2003.

5.2 The Licensee shall refer all disputes arising under the purview of the license for settlement by the Commission.

6. **Payment of Fees**

6.1 The Licensee shall be liable to pay to the Commission annual license fee as

prescribed under Schedule 2 (c) of Regulation 3 of the Haryana Electricity Regulatory Commission (Fee) Regulation, 2005, 2nd Amendment Regulations, 2016 dated 28th February, 2017 as amended from time to time.

- 6.2 Where the Licensee fails to pay any fee under condition 2.1, the Commission may bar the licensee from undertaking any activity as a deemed licensee pursuant to Section 19 of the Electricity Act, 2003. Standards and Procedures.

7. Standards and Procedures

- 7.1 The Licensee shall participate and assist the Commission, to the extent required by the Commission, in the development, issue and review of any standards, codes, and procedures proposed or notified by the Commission.

- 7.2 Penalty for Contravention of Conditions of the License.

The Licensee shall be liable for action under Sections 142 and 146 of the Act in appropriate cases for contravening any one or more of the provisions of these terms.

8. Technical Conditions

- 8.1 Load Forecast - The Licensee shall on an annual basis: -

- forecast the demand for electricity within the Area of Supply in each of the next succeeding 10 years;
- prepare and submit such forecasts to the Commission in accordance with the guidelines issued by the Commission from time to time; and
- Co-operate with the State Transmission Utility in the preparation of electricity demand forecasts for the state of Haryana in such manner as the State Transmission Utility reasonably considers appropriate.

- 8.2 **Power Procurement Procedure –**

The Licensee shall, in all circumstances, purchase electrical capacity and/or energy in an efficient and economical manner under a transparent procurement process from the sources identified by them.

Provided that it shall be the responsibility of the Licensee to make available power from alternate sources in case of outage of the sources / generator or in situations no power could be transmitted / wheeled due to congestion in the interstate transmission corridor or for whatsoever reasons.

Provided that the Licensee may make standby arrangements with existing distribution licensee of the area i.e. DHBVN / UHBVN, as the case may be,

subject to payment of tariff / charges as the Commission may determine.

Provided further that in the absence of stand by power charges determined by the Commission, the temporary tariff i.e. 1.5 times the tariff (Fixed + Energy) of the relevant category as determined by the Commission and amended from time to time including FSA, PLEC if applicable.

8.3 The Licensee shall comply with the provisions of the State Grid Code, in so far as applicable to it.

9. Compliance with the Distribution Code

9.1 The Licensee shall implement and comply with the Distribution Code specified by the Commission; provided that the Commission may issue an order either on an application or suo - motu relieving the Licensee of its obligations under the Distribution Code in respect of such parts of the Licensee's Distribution System and to such extent as the Commission may lay down.

10. Compliance with Standards

10.1 The Licensee shall operate its Transmission system/Distribution System / Traction Sub-station (TSS) connected to the Grid Sub-Stations in accordance with the Distribution System Operating Standards/State Grid Code together with the Distribution Code as approved by the Commission.

11. Co-operation with STU, SLDC and other Licensees

11.1 The Licensee shall provide to SLDC, STU and/or to other Licensees such information that may reasonably be required to perform its functions and exercise its powers under the Act.

11.2 The Licensee shall comply with the directions of SLDC and STU issued under the Act.

11.3 The Licensee shall operate its Transmission system/Distribution System / Traction Sub-station (TSS) connected to the Grid Sub-Stations in accordance with the Distribution System Operating Standards/State Grid Code together with the Distribution Code as approved by the Commission.

12. The Licensee shall:-

- i) Clear all dues, arrears to the Haryana Power Utilities, prior to disconnection of supply from the existing distribution licensee of the area.
- ii) install main/check/Stand-by ABT meter and associated equipments at all the Interface points of deemed licensee with the Transmission system before

drawl of power from any source under Open Access Mechanism, as per Central Electricity Authority, Metering Regulations, 2006 read with subsequent amendments thereof.

- iii) co-ordinate with the DISCOMs/HVPN regarding final joint meter reading as per the schedule agreed upon between them.
- iv) pay reactive energy charges as per the Regulations in vogue in the State or in its absence the reactive energy charges specified by the Central Electricity Regulatory Commission (CERC) from time to time.
- v) settle/ disburse the transmission charges / Open Access charges and SLDC Charges for use of State Transmission/ Distribution Utilities Network directly with HVPNL/Discoms.
- vi) provide telemetry to the SCADA system of Haryana SLDC/ HVPNL for monitoring purpose.

13. A deemed distribution licensee shall comply with all the relevant terms and conditions of the Haryana Electricity Regulatory Commission (Conditions of Licence for Distribution and Retail Supply Business) Regulations, 2004 notified on 30th November, 2004 as may be amended from time to time.

Provided that a deemed distribution licensee, who utilizes the entire quantum of electricity purchased for its own consumption and not for the purpose of onward supply / sale to consumers through its distribution system i.e. does not have any other consumer, shall be considered as embedded Open Access Consumer in case he continues to be a consumer of the Distribution Licensee or Fully Open Access Consumer as defined in the Haryana Electricity Regulatory Commission (Deviation Settlement Mechanism and related matters) Regulations, 2019.

Provided that such Open Access Consumer shall be liable to pay all charges as per the relevant Regulations including Transmission / Wheeling, Cross-subsidy Surcharge and Additional Surcharge as well as charges for standby power as may be determined by the Commission for the relevant year.

Provided that in the absence of stand by power charges determined by the Commission, such open access consumers shall be liable to pay the temporary tariff i.e. 1.5 times the tariff (Fixed + Energy) of the relevant category as determined by the Commission and amended from time to time including FSA, PLEC if applicable.

14. **Other conditions: -**

Provided that all such Open Access consumers shall be liable for payment of the imbalance charges/ deviations in line with the terms of the Haryana Electricity Regulatory Commission (Deviation Settlement Mechanism and related matters) Regulations, 2019 dated 29th April, 2019.

Provided further that all the relevant Regulations and charges including losses and RPO Obligations as applicable to Long Term / Medium Term Open Access consumers shall be applicable to the Deemed Licensee.

15. ISSUE OF ORDERS AND DIRECTIONS.

Subject to the provision of the Act and these regulations, the Commission may, from time to time, issue orders and directions in regard to the implementation of these regulations and procedure to be followed on various matters.

16. POWERS TO REMOVE DIFFICULTIES.

If any difficulty arises in giving effect to any of the provisions of these regulations, the Commission may, by a general or special order, not being inconsistent with the provisions of these regulations or the Act, do or undertake to do things or direct the deemed licensee to do or undertake such things which appear to be necessary or expedient for the purpose of removing the difficulties.

17. POWER TO RELAX

The Commission may in public interest and for reasons to be recorded in writing, relax any of the provision of these regulations.

18. INTERPRETATION

If any question arises relating to the interpretation of any provision of these regulations, the decision of the Commission shall be final and binding.

19. SAVING OF INHERENT POWERS OF THE COMMISSION

Nothing in these regulations shall be deemed to limit or otherwise affect the inherent power of the Commission to make such orders as may be necessary for ends of justice or to protect consumers' interest or to prevent the abuse of the process of the Commission.

20. ENQUIRY AND INVESTIGATION

All enquiries, investigations and adjudications under these Regulations shall be done by the Commission through the proceedings in accordance with the provisions of the Conduct of Business Regulations, 2004 as amended from time to time.

21. POWER TO AMEND

The Commission, for reasons to be recorded in writing, may at any time vary, alter or modify any of the provision of these regulations after following the due process.

Date: 14.09.2020
Place: Panchkula

By Order of the Commission
(Sd.) ...,
Director/Tariff
HERC.