

The Electricity (Transmission System Planning etc) Rules, 2021¹

In exercise of the powers conferred by sub-section (1) and clause(z) of sub-section (2) of Section 176 of the Electricity Act, 2003 (36 of 2003), the Central Government hereby makes the following rules, namely:—

1. Short title and commencement.—(1) These rules may be called the Electricity (Transmission System Planning, Development and Recovery of Inter-State Transmission Charges) Rules, 2021.

(2) These rules shall come into force on the date of their publication in the Official Gazette.

2. Definitions.—(1) In these rules, unless the context otherwise, requires,

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

(b) “Designated Inter-state Customer” means the user of any element of the Inter-State Transmission System and include Generating Station, State Transmission Utility, Distribution Licensee, State Electricity Board and its successor company, Electricity Department of the State and Union Territory, Bulk Consumer and any other entity directly connected to the Inter-State Transmission System;

(c) “General Network Access” means non-discriminatory access to the Inter-State Transmission System as requested by a Designated Inter-State Customer and granted by the Central Transmission Utility for a maximum injection or drawal, as the case may be in MegaWatt and for a specific period.

(2) The words and expressions used and not defined herein but defined in the Act shall have the meanings assigned to them in the Act.

3. Planning and Approvals.—(1) The Central Electricity Authority shall draw up short term plan every year on rolling basis for upto next five years and perspective plan every alternate year on rolling basis for next ten years for development of the electricity system and co-ordinate the activities of the planning agencies for the optimal utilisation of resources to subserve the interests of the national economy and to provide reliable and affordable electricity in accordance with Section 73 of the Act.

(2) The Central Electricity Authority shall also draw up the perspective plan for development of transmission system after consultation with all the relevant stakeholders such as, Central Transmission Utility, State Transmission Utilities, System Operators, generating and distribution companies, industry associations

1. Vide Notification No. G.S.R. 711(E), dated 01-10-2021, published in the Gazette of India, Extra., dated 01-10-2021.

and the State Governments, etc., and after assessing the rate of growth in demand as well as the growth of generation in different areas of country.

(3) The Central Transmission Utility shall draw up plan for Inter-State Transmission System for upto next five years on rolling basis every year identifying specific transmission projects which are required to be taken up along with their implementation time lines, after considering the plans made by Central Electricity Authority and studying the progress in generation capacity and demand in different parts of the country as well as taking note of General Network Access requests made by Designated Inter-state Customers, any signals of any congestion in any part of the Inter-State Transmission System and difficulties in obtaining right of way for development of transmission corridors. For preparing this plan, Central Transmission Utility shall consult with State Transmission Utilities, Central Government, State Governments, generating companies, Regional Power Committees, Central Electricity Authority, System Operators, licensees and any other person notified by the Central Government in this behalf.

(4) The principle for planning of the Inter-State Transmission System shall be to ensure that it is available as per the requirements of the States and the generators, as reflected by their General Network Access requests and the planning should be such that the lack of availability of the transmission system does not act as a brake on the growth of different regions. The transmission system shall, be planned and developed matching with growth of generation and load, as far as possible and while doing the planning, care shall be taken that there is no wasteful investment.

(5) The Inter-State Transmission System projects drawn up by Central Transmission Utility shall be placed before the National Committee on Transmission constituted by the Central Government and the National Committee on Transmission shall also include a nominee of each Regional Power Committee. The projects along with their timeline for implementation shall be approved by the Central Government after considering the recommendations of the National Committee on Transmission:

Provided that the Central Government may approve any transmission project as deemed necessary from the system or strategic point of view, without waiting for the recommendation of the National Committee on Transmission.

4. Connectivity.—(1) The Generation or Distribution Companies or Inter-State Transmission System Consumers shall be connected to the network and shall be able to sell or buy power from any Generator or Distribution Company or Inter-State Transmission System connected entity and the Appropriate Commission shall issue appropriate regulations to regulate General Network Access.

(2) While transitioning to General Network Access, all existing Long Term Access granted or deemed granted to a Designated Inter-state Customer may be considered as sanctioned General Network Access for that Designated Inter-state Customer, unless otherwise stated.

(3) The General Network Access shall be applied for and provided for a specific capacity and the General Network Access shall be granted for a specific period.

(4) The Central Commission may specify by regulations from time to time laying down the duration for which General Network Access can be granted and the procedure and fees thereof.

(5) The costs of the connectivity system to the network shall be borne by connecting entity and the costs of strengthening of the system shall be a part of system cost and recovered in tariff.

5. Recovery of inter-state transmission charges.—(1) The entire Inter-State Transmission System shall be treated as one integrated system and any Designated Inter-state Customer seeking General Network Access shall pay the onetime General Network Access charges as prescribed by the Central Commission:

Provided that existing Designated Inter-state Customers with existing Long Term Access quantum need not pay one time General Network Access charges.

(2) All Designated Inter-state Customers shall pay per Mega Watt tariff fixed by the Central Commission as monthly transmission charges in addition to one time General Network Access charges, as applicable.

(3) Where a Designated Inter-state Customer desires to relinquish the General Network Access, fully or partly, it may be allowed, subject to satisfactory grounds, upon making advance payment of reasonable relinquishment charges as specified by the Central Commission, such that other Designated Inter-state Customers are not burdened and after full relinquishment of General Network Access by a Designated Inter-state Customer, it shall be disconnected from the Inter-State Transmission System.

(4) The monthly transmission charges shall be paid by all Designated Inter-state Customers on per Mega Watt basis at the rates determined by the Central Commission.

(5) The monthly transmission charges shall be paid by the Designated Inter-state Customers for the General Network Access capacity sanctioned for them or drawal or injections as the case maybe, whichever is higher and all drawals or injections within the sanctioned capacity shall be at normal rate and excess drawal or injection over the capacity sanctioned shall be charged at rates, which are at least 25% higher, as determined by the Central Commission.

(6) The transmission charges shall be levied in such manner that the total transmission charges are fully recovered and the Central Commission shall true up the total Inter-State Transmission System charges every month after obtaining reports from Central Transmission Utility about the additions or reductions in generation or transmission capacity and the number or capacity of General Network Access Consumers.

(7) The liability to pay transmission charges, shall be effective from the date the General Network Access gets operationalised.

(8) The Central Transmission Utility shall be responsible for billing, collection and disbursement of the transmission charges as per the regulations made by the Central Commission in this regard.

(9) The Central Commission shall bring out Regulation on fees and charges for Central Transmission Utility to carry out the statutory functions as per provisions of the Act, and rules, regulations made there under.

(10) The General Network Access capacity, or part thereof, can be shared with, sold to or purchased from any other Designated Inter-state Customers in such manner as may be provided by regulations by the Central Commission.

(11) Any generator shall be allowed to be connected at the switchyard of another generator which is directly connected with Inter-State Transmission System, in such manner as may be provided by regulations by the Central Commission.

(12) The Central Government may, if it is satisfied, waive Inter-State Transmission System charges and losses for notified sources of energy for a specified duration.
