



## **ANDHRA PRADESH ELECTRICITY REGULATORY COMMISSION**

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### **Revised Draft**

### **[Regulation No. of 2025]**

## **First Amendment to the Andhra Pradesh Electricity Regulatory Commission (Green Energy Open Access, Charges, and Banking) Regulation, 2024 (Regulation No. 3 of 2024)**

### **Introduction:**

The Commission notified the Andhra Pradesh Electricity Regulatory Commission (Green Energy Open Access, Charges, and Banking) Regulation, 2024 (Regulation No. 3 of 2024) (hereinafter referred to as 'the Principal Regulation'), which was published in the AP Extraordinary Gazette on 02.05.2024.

Whereas the Government of Andhra Pradesh released the Integrated Clean Energy (ICE) Policy, 2024 on 16.10.2024, which aims to establish Andhra Pradesh as a leader in clean energy, focusing on attracting investments and promoting sustainable development. This policy aims to achieve 50% cumulative electric power capacity from non-fossil fuel sources by 2030 and net-zero emissions by 2047 in AP.

### **Key aspects of the policy are:**

- Focus on the entire value chain, which includes renewable energy (RE) manufacturing projects, which are crucial for achieving ambitious targets.
- Harnessing the RE potential in the State, which has significant potential in solar, wind, and hybrid energy sources, along with pumped storage projects.
- The democratisation of energy generation is supported by initiatives such as the PM Surya Ghar Yojana and PM KUSUM, promoting energy self-sufficiency.
- The Anticipated Investment of approximately Rs 10 lakh crores and the creation of around 7,50,000 direct and indirect jobs.
- Promotion of Green Hydrogen in the State, making it a global hub for the export

of Green Hydrogen.

- Promotion of investments by simplifying processes, offering incentives for clean energy and RE manufacturing projects, and imparting skills in RE technologies.
- Promotion of a circular economy and reduction of the cost of production by including RE manufacturing projects.
- Aligning the policy with the Government of India's schemes.
- Development of Renewable Economic Zones (REZs) and Renewable Energy Manufacturing Zones (REMZs).
- Support for various clean energy technologies, which include solar power, wind power, wind-solar hybrid power, green hydrogen and its derivatives, biofuels, energy storage (including Pumped Storage Power (PSP) and Battery Energy Storage Systems), mini and small hydro projects, and electric mobility charging infrastructure.
- Establishment of a University for Green Energy & Circular Economy (UGC) and a Clean Energy Knowledge & Skill Development Centre (CEKSDC).
- Single window clearance for projects.

To successfully implement the policy above, the Government of Andhra Pradesh (GoAP), acting through the Special Chief Secretary/Energy Department, and invoking Section 108 of the Electricity Act, 2003, addressed a letter to the Commission. In the letter, the GoAP proposed the following amendments to the Principal Regulation and requested the Commission to incorporate the same.

A. *“Provided further, EV charging stations shall be permitted to procure input power through a Green Open Access (Green OA) generator.”*

B. *“The hours of supply to ensure grid stability and ensure equity for energy banking and settlement.*

- *Off-peak Hours (solar time): 9 AM - 5 PM*
- *Peak Hours: 5 AM - 9 AM & 7 PM - 11 PM*
- *Normal Hours: 11 PM - 5 AM & 5 PM - 7 PM*

*Energy banking shall operate on a monthly billing cycle. Each calendar month constitutes one billing cycle, and banked energy must be utilised within the same cycle. Provided further that if the energy injected into the grid exceeds the demand, it shall be apportioned on a block-wise basis and banked accordingly.*

*This banked energy may be settled within the same blocks as specified below.*

- *Energy banked during peak hours may be drawn during peak, off-peak, and normal hours.*
- *Energy banked during off-peak hours may only be drawn during off-peak (solar) hours.*
- *Energy banked during normal hours may be drawn during normal hours. Provided further that, APSLDC shall carry out a Grid Level Study every year to determine peak grid demand and allow 5% of the peak demand as banking limit at the state level, thereafter incrementally year on year at 5% for setting the quantum for banking based on grid constraints.”*

C. *“Provided further that the Cross Subsidy Surcharge and Additional Surcharge shall be exempted for the production of Green Hydrogen & its derivatives projects. Further, Solar Module and Wind Turbine Manufacturing projects are exempted from Cross-subsidy surcharge, whereas Battery Manufacturing projects are exempted from Additional Surcharge for sourcing of renewable energy through third-party open access within the State for a period from the date of commissioning of such projects as mentioned in GO.Ms.No.37, dated 30.10.2024.”*

After thoroughly examining the amendment proposed by the GoAP under Section 108 of the Electricity Act, 2003 and other relevant aspects, including the promotion of efficient and environmentally benign policies as envisaged in the preamble of the Electricity Act, 2003, the Commission, in exercise of the powers conferred on it under Sections 86(1)(e), 181(1), Sub-Sections 39(2)(d), 40(c), 42(2), 42(3) and all other powers enabling it in that behalf, issued a draft amendment to the Andhra Pradesh Electricity Regulatory Commission (Green Energy Open Access, Charges, and Banking) Regulation, 2024 (Regulation No. 3 of 2024).

The draft amendment was published on the Commission’s website on 26.03.2025 along with a Public Notice inviting comments, suggestions, and objections from all stakeholders and interested parties. In response, the Commission received comments and suggestions on the draft amendment, as well as on other provisions of the Principal Regulation. After carefully examining all the submissions, the Commission has decided to issue a revised draft of the first amendment, as detailed below.

## **1. Short Title, Extent, and Commencement**

- This Regulation shall be called the First Amendment to the Andhra Pradesh Electricity Regulatory Commission (Green Energy Open Access, Charges, and

Banking) Regulation, 2024 (Regulation No. 3 of 2024).

ii. This Regulation shall extend to the whole of the State of Andhra Pradesh.

iii. This Regulation shall come into force on the date of its publication in the Andhra Pradesh Gazette.

**2. The following text shall be inserted as a third proviso in Clause 7 of the Principal Regulation.**

*“Provided further that EV charging stations shall be permitted to procure input power through Green Open Access (Green OA) generator.”*

**3. Clause 9 of the Principal Regulation shall be substituted with the following.**

**Clause 9 (1): Connectivity**

*“Connectivity for all new green energy generators shall be granted as per the provisions of the APERC Regulation on Power Evacuation from Captive Generation, Co-generation and Renewable Energy Source Power Plants (Regulation No. 3 of 2017).”*

**Clause 9(2): Energy Settlement**

*“All the Green Energy Open Access (GEOA) generators’ energy shall be settled blockwise in 15 minutes based on the day-ahead schedule. If the energy injected into the grid from wind, solar, wind-solar hybrid, and Mini-hydel exceeds the OA schedule/under-utilisation by the consumer in any time block, such excess/underdrawn energy shall be banked, following the banking conditions in this regulation. Energy injected over and above the approved Open Access quantum shall be treated as inadvertent energy.*

*In cases where generation data is available in 15-minute time blocks and consumer data in 30-minute time blocks, the generation for two consecutive 15-minute time blocks shall be aggregated to match the corresponding 30-minute time blocks at the consumer end for settlement purposes. Where both generation and consumer data are in 30-minute time blocks, settlement shall be done directly on a 30-minute time block basis.*

*If an existing generator's additional capacity is allowed through the same interface meter under GEOA, the energy recorded in the interface meter shall be apportioned based on the capacities in the old and new regimes, without requiring separate metering for additional capacity under GEOA.*

*Energy settlements and deviations of intra-state Renewable Energy generators for interstate transactions shall be done as per the relevant CERC Regulations. Deviations of all intra-state Wind and solar Generators’ schedules shall be settled*

*as per APERC Regulation No. 4 of 2017. Deviations of all other intra-state RE generators not covered under APERC Regulation No. 4 of 2017 shall be settled following the CERC DSM Regulations 2022, as amended from time to time, until the Commission issues a comprehensive Regulation in this regard.*

*Except for the amendments mentioned above, the remaining provisions of APERC Regulation 2 of 2006, as amended from time to time, are applicable for the settlement of energy. Further, for the wind, solar, wind-solar hybrid and Mini-hydel plants availing open access prior to the issuance of APERC GEOA Regulation No.3 of 2024, their energy settlement and banking shall be as per Regulation 2 of 2006 only till the applicable period mentioned in respective policies/agreements, whichever is higher.”*

**4. The following text shall be added after para 1 in clause 10 of the Principal Regulation.**

*“Any general amendments regarding changes in Names, Entry/Exit points, and contracted capacities of the consumers as per the provisions of the Open Access agreements shall not be considered for applying the APERC GEOA Regulation No.3 of 2024. All new applications, applications for additional capacity and applications for renewal (not inconsistent with the above para) of the existing OA generator will be covered by the GEOA Regulation 2024.”*

**5. The following text shall be added after paragraph 11 of the Principal Regulation.**

*“Smart meter or renewable energy meter shall be mandatory for consumers/prosumers under LT supply to avail Open Access under this Regulation. No check meter and standby meter are required for the LT consumers/prosumers”*

**6. Clause 12(d) of the Principal Regulation shall be substituted with the following.**

*“d) Standby charges wherever applicable: The Standby Charges shall be 120% of the normal tariff (for both demand and energy) of the consumer category without any penalty for exceeding the CMD with the DISCOMS (as per clause 8.4 of Regulation 2 of 2006) when there is no notice from the parties concerned. The MD and energy charges shall be billed based on the Open Access Demand & energy corresponding to the open access demand for the duration of the standby arrangement. MD charges shall be determined on a block-wise basis.*

*If there is any notice to the DISCOMs from the parties concerned on this aspect if*

*such period of standby arrangement exceeds 72 hours or more from the time of notice, the Standby Charges shall be 120% of the normal tariff on energy or the maximum tariff of energy purchased from the exchanges/market (during the standby period), whichever is higher is applicable. Charges within 72 hours from the notice shall be limited to 120 per cent of the normal tariff on energy. No MD charges for OA demand are applicable during the standby arrangement on notice.*

*If the open access is availed within the CMD of the DISCOMs, and energy from the generator is not injected for any period in a billing cycle, the MD & total energy drawn from the grid by the consumer during such period shall be deemed to be the consumption from the DISCOMs and shall be billed as per RST orders.*

*For co-located consumption from captive power plants, if consumers request a standby arrangement, it shall be provided by the DISCOMs only upon prior notice of two hours, and it shall not be considered during R&C measures in place.*

*Regarding the standby arrangement required by consumers, an LC for three days of open access consumption may be obtained. Further, the LC is not needed if the GEOA consumers do not opt for a standby arrangement with the DISCOMs.*

**7. The following text shall be added as a 5th proviso to Clause 13 of the Principal Regulation.**

*“Provided further that the Cross Subsidy Surcharge and Additional Surcharge shall be exempted for Green Hydrogen production and its derivatives projects. Additionally, Solar Module and Wind Turbine manufacturing projects shall be exempt from the Cross Subsidy Surcharge, while Battery Manufacturing projects shall be exempt from the Additional Surcharge. These projects shall source renewable energy through third-party open access within the State. Further, these exemptions shall be applicable for ten years from the commissioning date of the aforementioned projects, during the operative period of the policy outlined in GO.Ms.No.37, dated 30.10.2024.”*

**8. Clause 14.1 of the Principal Regulation shall be substituted with the following.**

*“The Banking shall be on a monthly billing cycle basis. Each calendar month shall be considered as one billing cycle. The banked energy shall be utilised within the same billing cycle. The unutilized banked energy at the end of the billing cycle shall be paid at the rate of 75% of the last discovered SECI tender rate for the given RE source as notified by APERC every year, and the benefit of RPO/RCO shall be given to the distribution licensee for the corresponding unutilized banked energy.*

**9. Clause 14.3 of the Principal Regulation shall be substituted with the following.**

*“The Green Energy Open Access consumers shall be permitted to bank only thirty percent of their total monthly consumption of electricity from the distribution licensee during the billing period. The banked energy in excess of the said thirty percent shall be considered as lapsed.*

*Provided that, for such lapsed surplus energy above the said thirty percent at the end of each billing cycle, the renewable energy generating station shall be entitled to get a Renewable Energy Certificate (REC).*

*Provided further that, the lapsed unutilized surplus banked energy entitled for RECs, if not claimed by the renewable energy generating station, the DISCOMs shall account for such lapsed energy to meet their Renewable Purchase Obligation (RPO) or Renewable Consumption Obligation (RCO) compliance.”*

**10. Clause 14.4 of the Principal Regulation shall be substituted with the following.**

*“The banking and drawal shall be allowed throughout the billing cycle. The credit for energy banked shall be adjusted during the same banking cycles as per the energy injected in the respective Time of Day (TOD) slots determined by the Commission in its Retail Supply Tariff Orders. The supply hours to ensure grid stability and equity for energy banking and settlement, with effect from 01.04.2026, are:*

- *Off-peak Hours (solar time): 9 AM - 5 PM*
- *Peak Hours: 5 AM - 9 AM & 7 PM - 11 PM*
- *Normal Hours: 11 PM - 5 AM & 5 PM - 7 PM*

*Due to the emergence of energy democratisation and the intermittency of renewable energy, these hours of supply shall be as decided by APSLDC from time to time, subject to the approval of APERC. The DISCOMS shall propose these timings in their Retail Supply Tariff filings.*

*The banked energy shall be settled as specified below.*

- *Energy banked during peak hours shall only be drawn/adjusted during peak, off-peak, and normal hours. The energy banked during peak ToD slots shall be adjusted first against peak ToD slots, and leftover banked energy in peak ToD slots, if any, shall be drawn/adjusted during off-peak TOD slots, followed by*

*normal ToD slots.*

- *Energy banked during off-peak hours shall only be drawn/adjusted during off-peak (solar) hours.*
- *Energy banked during normal hours shall only be drawn/adjusted during normal hours and off-peak hours. The energy banked during normal ToD slots shall be adjusted first against normal ToD slots, and leftover banked energy in normal ToD slots, if any, shall be drawn/adjusted during off-peak TOD slots.*

*Provided that the drawl of banked energy during the peak load hours, as approved by the Commission in Retail Supply Tariff Orders, shall not be permitted if R&C measures are in force.*

*Provided further that the APSLDC shall carry out a Grid Level Study every year to determine peak grid demand and allow 5% of the peak demand as a banking limit at the state level. The SLDC shall notify the allowable maximum generation capacity at the grid level for the ensuing financial year before 1 March every year. The developers and Open Access users shall apply, along with the duration, and receive from the OA nodal agency an allocation of capacity within the limits stipulated by SLDC to avail of the banking facility. However, the generator capacities under the existing OA agreements before the issue of APERC GEOA Regulation 2022 shall be excluded from the above capacity”*

**(By Order of the Commission)**

**Place: Kurnool**  
**Date : 19.08.2025.**

**Sd/- 19.08.2025**  
**P.KRISHNA**  
**Commission Secretary i/c**