



ANDHRA PRADESH ELECTRICITY REGULATORY COMMISSION

Vidyut Niyantrana Bhavan, Adjacent to 220/132/33 kV AP Carbides SS,
Dinnedevarapadu Road, Kurnool - 518 002, Andhra Pradesh.
Phones: 08518 - 294823,24,25,26

**WEDNESDAY, THE FOURTH DAY OF DECEMBER
TWO THOUSAND AND TWENTY-FIVE**

(04.12.2025)

Present:

**Sri P.V.R.Reddy,
Member & Chairman(i/c)**

In the matter of the Second Amendment to the Andhra Pradesh Electricity Regulatory Commission (Terms and Conditions of Open Access) Regulation, 2005 (Regulation No. 2 of 2005)

Statement of Reasons/Order

The Government of Andhra Pradesh (GoAP) released the Integrated Clean Energy (ICE) Policy, 2024, on 16.10.2024, aiming to establish Andhra Pradesh as a leader in clean energy by 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 in the State by 2047.

After thoroughly examining the amendments proposed by the GoAP, the Commission has decided to amend the Andhra Pradesh Electricity Regulatory Commission (Terms and Conditions of Open Access) Regulation, 2005 (Regulation No. 2 of 2005). Accordingly, it published a Public Notice, along with a copy of the draft amendment, on its website on 26 March 2025, 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 submissions, the Commission has decided to issue a revised draft of the second amendment and, accordingly, published a Public Notice along with a copy of the draft amendment on its website on 19 August 2025, inviting further suggestions and objections from all stakeholders and interested parties. On 02 September 2025, the Commission, upon the request of the APDISCOMs and other stakeholders, extended the timeline for submission of comments, suggestions, and objections on the draft

amendments up to 15.09.2025. In response, the Commission received comments/suggestions/objections on the draft amendment from 10 stakeholders. The following paragraphs discuss the relevant comments/suggestions/objections received on the draft amendment and the Commission's analysis and decisions on the same.

1. The following text shall be added as a separate paragraph at the end of the existing paragraph in Clause 9.2 of the Principal Regulation.

Draft

"Provided that the grant of grid connectivity for such Clean Energy Projects and for such operative period as mentioned in GO.Ms. No. 37, dated 30.10.2024, shall be based on the progress and recommendation of the State Nodal Agency as mentioned in GO.Ms.No.37, dated 30.10.2024."

Objections/views/comments

APTRANSCO submitted that grid connectivity decisions should be based on a detailed technical assessment carried out by APTRANSCO rather than being limited to recommendations from the State Nodal Agency. It emphasised that this approach is essential to ensure grid stability and network capacity adequacy, particularly for projects that have not achieved their Commercial Operation Date (COD) as originally planned.

APTRANSCO further recommended that developers whose projects have been delayed by more than three years should be required to submit a fresh application for a feasibility study so that connectivity decisions are based on prevailing field conditions and applicable technical standards.

Ecoren Energy suggested revising the draft clause to explicitly refer to the *Integrated Clean Energy (ICE) Policy, 2024*, and the corresponding Government Order, to avoid any ambiguity regarding the source policy referenced in the Regulation.

Commission's analysis and decision :

The clause aligns with the operational framework under the Andhra Pradesh Integrated Clean Energy (ICE) Policy, 2024, which designates the State Nodal Agency (SNA), i.e., NREDCAP, as the coordinating body for facilitating Clean Energy Projects. As per the Policy, NREDCAP is mandated to establish a Unified/Single Desk Portal for granting approvals, allocating resources, and monitoring project implementation.

This institutional arrangement does not vest the SNA with statutory powers to

grant or deny grid connectivity applications. Rather, the SNA's role is to monitor project progress, collect quarterly updates, and forward its recommendations to the transmission utility for consideration. The ultimate authority to accord grid connectivity rests with APTRANSCO, SLDC, and DISCOMs in accordance with their respective statutory and technical mandates. Further, linking project progress with connectivity approval ensures that network resources are allocated efficiently to projects nearing commissioning and discourages speculative capacity blocking.

Regarding the suggestion to explicitly refer to the Integrated Clean Energy (ICE) Policy, 2024, it shall be noted that G.O. Ms No. 37, dated 30.10.2024, itself constitutes the operative framework of the Policy; hence, there is no need to mention the Policy separately.

However, keeping in view the suggestions and to provide further clarity, the Commission is inclined to modify the clause as under:

“Provided that the grant of grid connectivity for such Clean Energy Projects and for such operative period as mentioned in G.O. Ms. No. 37, dated 30.10.2024, shall be based on the progress and recommendation of the State Nodal Agency and shall be subject to compliance with the applicable regulations/guidelines/procedures issued/approved by the Commission for the grant of grid connectivity.”

2. The existing Clause 19.4 of the Principal Regulation shall be substituted with the following:

Draft

“19.4 Energy and Demand Balancing:

The Open Access capacity contracted at the generator end (entry point) shall correspond to and not exceed the Open Access capacity approved at the exit point(s) of consumers. Further, all open access users, and the users covered under clause 7.2, shall ensure that their actual demand or actual sent-out capacity, as the case may be, at an interconnection does not exceed the lower of the line capacity or the transfer capacity following the technical feasibility as determined by the concerned transmission or distribution licensee, as detailed below:

(a) For Open Access Consumers:

Long-term/Medium-term (GeOA)/Short-term Open Access, as the case may be, drawal shall be restricted to the sanctioned Open Access capacity. The Open Access capacity shall be governed by the rated metering equipment as approved

by the concerned transmission or distribution licensee.

(b) For Scheduled Consumers:

Long-term open access shall be granted within the CMD or beyond the CMD with the DISCOMs. If Long-term open access is granted beyond the CMD, the metering infrastructure shall be suitably rated to cater to the CMD plus the sanctioned capacity for long-term open access. The consumers shall bear the expenditure required for changing the metering infrastructure. Where long-term open access is availed within the CMD, the drawal shall be restricted to the CMD. Where long-term open access is granted beyond the CMD, the permissible drawal limit shall be the sum of the CMD and the sanctioned capacity under long-term open access. Medium-Term (GeOA)/Short-Term Open Access shall be granted only within the CMD, and the permissible drawal limit shall be restricted to the CMD.

(c) For Open Access Generators:

Open Access to the generators shall be granted up to the lesser of the Ex-Bus capacity, evacuation capacity of the line, or transfer capacity at that interconnection point, as determined by the concerned transmission or distribution licensee. The injection into the grid by the Open Access generators shall be limited to the sanctioned open access capacity. Any injection beyond the sanctioned open access capacity shall be treated in accordance with the applicable regulations.”

Objections/views/comments

APCPDCL and APEPDCL submitted that many consumers are seeking LTOA capacities substantially higher than their CMDs, in some cases up to 2 or 3 times greater. The existing network capacity at the exit points is often insufficient to accommodate such requests without affecting system reliability, as the limited spare capacity maintained by the DISCOMs is intended for operational contingencies to ensure 24×7 supply. The DISCOMs stated that mere sufficiency of line or metering capacity should not be treated as the sole criterion for permitting Open Access beyond CMD.

With respect to Open Access consumers, the DISCOMs proposed that the sanction of Open Access capacity shall be subject to a technical assessment of network capability and to the consumer's payment of the requisite charges towards the development or strengthening of the distribution infrastructure. In the case of scheduled consumers, it was submitted that those availing LTOA beyond CMD shall mandatorily bear the applicable infrastructure development

charges.

Further, it was stated that where a native consumer and a scheduled consumer simultaneously seek additional load on the same feeder, the native consumer is required to pay Load Development Charges (LDC) for enhanced CMD, whereas the scheduled consumer seeking additional Open Access capacity beyond CMD does not, resulting in inequitable treatment. The DISCOMs, therefore, proposed that all users (native, scheduled, or 100% Open Access) be required to pay the applicable service line or infrastructure development charges determined by the Commission for any network capacity augmentation.

APTRANSCO stated that, while the amendment specifies that a scheduled consumer availing Long-Term Open Access (LTOA) beyond the Contracted Maximum Demand (CMD) shall bear the expenditure required to modify the metering infrastructure, it does not clarify the position when the requested capacity exceeds the line's transfer capability. It has sought to clarify whether such Open Access could be permitted when the existing network transfer capacity is insufficient. APTRANSCO further stated that if such access is permitted, the expenditure for strengthening or augmenting the dedicated transmission line or associated network infrastructure should be borne by the scheduled consumer, consistent with Clauses 9.3.1 and 17.1(v) and (vi) of the APERC (Transmission Licence and Transmission Planning, Connection and Open Access) Regulation, 2005 (Regulation No. 2 of 2005). It suggested that the relevant clause in the present Regulation may be suitably amended to reflect this position.

Ecoren Energy proposed that in Clause 19.4(b) and Clause 19.4(c), the expression “sanctioned open access capacity” may be replaced with “Granted Long-Term Open Access Capacity” to ensure uniformity and to avoid ambiguity between the capacity sanctioned under Long-Term Open Access (LTOA) and the Contracted Maximum Demand (CMD) with the DISCOMs. It was stated that this clarification would make it explicit that the capacity granted under LTOA and the capacity granted under CMD are mutually exclusive.

ViswaTeja Spinning Mills, Ranganayaka Spinning Mills Pvt. Ltd., Powerix Energy Services Pvt. Ltd., and the Green Energy Open Access India Council (GEOAIC) suggested that consumers should be permitted to avail renewable power from more than one generating station, provided that the total drawal at any point of time does not exceed the sanctioned Contracted Maximum Demand

(CMD) with the DISCOM.

Commission's analysis and decision :

Keeping in view the suggestions and to provide further clarity, the Commission is inclined to modify the clause as under:

“19.4 Energy and Demand Balancing:

The Open Access capacity contracted at the generator end (entry point) shall correspond to and not exceed the Open Access capacity approved at the exit point(s) of consumers. Further, all open access users, and the users covered under clause 7.2, shall ensure that their actual demand from all sources or actual sent-out capacity, as the case may be, at an interconnection does not exceed the lower of the line capacity or the transfer capacity, following the technical feasibility as determined by the concerned transmission or distribution licensee, as detailed below:

(a) For Open Access Consumers:

Long-term/Medium-term (GeOA)/Short-term Open Access, as the case may be, drawal shall be restricted to the sanctioned/granted Open Access capacity. The Open Access capacity shall be governed by the rated metering equipment as approved by the concerned transmission or distribution licensee.

(b) For Scheduled Consumers:

Long-term open access shall be granted within the CMD or beyond the CMD with the DISCOMs. If Long-term open access is granted beyond the CMD, the metering infrastructure shall be suitably rated to cater to the CMD plus the sanctioned/granted capacity for long-term open access. Where long-term open access is availed within the CMD, the drawal shall be restricted to the CMD. Where long-term open access is granted beyond the CMD, the permissible drawal limit shall be the sum of the CMD and the sanctioned/granted OA capacity under long-term open access.

Medium-Term (GeOA)/Short-Term Open Access shall be granted only within the CMD, and the permissible drawal limit shall be restricted to the CMD.

(c) For Open Access Generators:

Open Access to the generators shall be granted up to the lesser of the Ex-Bus capacity, evacuation capacity of the line, or transfer capacity at that interconnection point, as determined by the concerned transmission or

distribution licensee. The injection into the grid by the Open Access generators shall be limited to the sanctioned/granted open access capacity. Any injection beyond the sanctioned open access capacity shall be treated in accordance with the applicable regulations. Further, for solar generators, the inverter capacity, rather than the DC capacity, shall be considered for granting open access.

Provided that Green Energy Open Access consumers may enter into multiple contracts with different RE sources, such as wind, solar, and mini-hydro, etc., and Open Access may be granted for all such capacities beyond the technical limits or CMD, as applicable. However, the drawl by the consumer during any 15-minute time block or schedule from all his suppliers shall not exceed the technical limits of the line/transfer capacity or CMD, as applicable, at the consumer end. In case suppliers furnish schedules beyond the technical limits of the line/transfer capacity or CMD, as applicable, at the consumer end, such schedules shall be limited to the technical limits or CMD, as applicable, by the SLDC. Any energy injected by the suppliers in excess of the line/transfer capacity or CMD, as applicable, at the consumer end shall be treated as inadvertent energy.

In cases where Long-Term Open Access is to be granted/sanctioned beyond the CMD, and/or where the Open Access capacity sought is beyond the line/transfer technical limits, the expenditure required for any strengthening or augmentation of existing lines or associated network shall be borne by the OA user concerned, in addition to paying development charges as prescribed by the Commission. The OA user also shall bear the expenditure required for changing the metering infrastructure.”

- 3.** The list of objectors is shown in **Annexure I**, and the finalised Regulation is shown in **Annexure II**.

Sd/-
Sri P.V.R.Reddy,
Member & Chairman i/c

Annexure-I

List of Objectors

S.No	Name of the Objector
1	Sri. M. Venugopala Rao, Senior Journalist & Convener, Centre for Power Studies, Hyderabad (Sought time extension)
2	Sri. Ch.Babu Rao, State Secretariat Member, CPI(M), Vijayawada (Sought time extension)
3	Sri. Kandharapu Murali, Secretariat Member, CPI(M), Tirupati District Committee, Tirupati (Sought time extension)
4	Sri. U.Kumar, APTMA (Sought time extension)
5	Andhra Pradesh Southern Power Distribution Company Limited
6	Sri. Gopinath, SICMA (Sought time extension)
7	Andhra Pradesh Central Power Distribution Company Limited
8	Andhra Pradesh Eastern Power Distribution Company Limited
9	Transmission Corporation of Andhra Pradesh Limited
10	Ecoren Energy

Annexure-II

ANDHRA PRADESH ELECTRICITY REGULATORY COMMISSION

Second Amendment to the Andhra Pradesh Electricity Regulatory Commission (Terms and Conditions of Open Access) Regulation, 2005 (Regulation No.2 of 2005)

[Regulation No.08 of 2025]

Introduction:

The erstwhile APERC (Andhra Pradesh Electricity Regulatory Commission) of the undivided Andhra Pradesh State notified the Andhra Pradesh Electricity Regulatory Commission (Terms and Conditions of Open Access) Regulation, 2005 (Regulation No. 2 of 2005) (hereinafter referred to as 'the Principal Regulation'), which was published in the AP Extraordinary Gazette on 01.07.2005.

And the newly constituted APERC for the residual State of Andhra Pradesh, which came into existence w.e.f. 01.08.2014, post bifurcation of the undivided AP State, adopted the above Regulations, among others, vide APERC (Adaptation) Regulation, 2014 (Regulation No.4 of 2014). Subsequently, the new APERC notified the first amendment (Regulation No. 1 of 2016) to the Principal Regulation in the AP Extraordinary Gazette on 08.01.2016.

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 by 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 in the State by 2047.

To successfully implement the aforementioned policy, 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 amendment to the Principal Regulation and requested the Commission to incorporate the same.

"Provided also that the grant of grid connectivity for such Clean Energy Projects and for such operative period as mentioned in GO.Ms.No. 37, dated 30.10.2024, shall be based on the progress and recommendation of SNA 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 powers conferred on it under Section 181(1) read with Sub-Sections 39(2) (d)(ii), 40(c), 42(2), 42(3), 42(4) and Section 86(1)(e) of the Electricity Act 2003 (36 of 2003), and all other powers enabling it in that behalf, issued a draft amendment to the Andhra Pradesh Electricity Regulatory Commission (Terms and Conditions of Open Access) Regulation, 2005 (Regulation No. 2 of 2005).

Accordingly, 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 decided to issue a revised draft of the Second Amendment, which was published on 19.08.2025, along with a Public Notice inviting further suggestions and objections from stakeholders and interested parties. In response, the Commission again received comments and suggestions on the draft amendment. After carefully examining all the submissions as detailed in the Order dated 04.12.2025, the Commission issued the second amendment, as detailed below.

1.Short Title, Extent, and Commencement

- i. This Regulation shall be called the Second Amendment to the Andhra Pradesh Electricity Regulatory Commission (Terms and Conditions of Open Access) Regulation, 2005 (Regulation No. 2 of 2005).
- 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 added as a separate Para at the end of the existing Para in Clause 9.2 of the Principal Regulation.

“Provided that the grant of grid connectivity for such Clean Energy Projects and for such operative period as mentioned in G.O. Ms. No. 37, dated 30.10.2024, shall be based on the progress and recommendation of the State Nodal Agency and shall be subject to compliance with the applicable regulations/guidelines/procedures issued/approved by the Commission for the grant of grid connectivity.”

3. The existing Clause 19.4 of the Principal Regulation shall be substituted with the following:

“19.4 Energy and Demand Balancing:

The Open Access capacity contracted at the generator end (entry point) shall correspond to and not exceed the Open Access capacity approved at the exit point(s) of consumers. Further, all open access users, and the users covered under clause 7.2, shall ensure that their actual demand from all sources or actual sent-out capacity, as the case may be, at an interconnection does not exceed the lower of the line capacity or the transfer capacity, following the technical feasibility as determined by the concerned transmission or distribution licensee, as detailed below:

(a) For Open Access Consumers:

Long-term/Medium-term (GeOA)/Short-term Open Access, as the case may be, drawal shall be restricted to the sanctioned/granted Open Access capacity. The Open Access capacity shall be governed by the rated metering equipment as approved by the concerned transmission or distribution licensee.

(b) For Scheduled Consumers:

Long-term open access shall be granted within the CMD or beyond the CMD with the DISCOMs. If Long-term open access is granted beyond the CMD, the metering infrastructure shall be suitably rated to cater to the CMD plus the sanctioned/granted capacity for long-term open access. Where long-term open access is availed within the CMD, the drawal shall be restricted to the CMD. Where long-term open access is granted beyond the CMD, the permissible drawal limit shall be the sum of the CMD and the sanctioned/granted OA capacity under long-term open access.

Medium-Term (GeOA)/Short-Term Open Access shall be granted only within the CMD, and the permissible drawal limit shall be restricted to the CMD.

(c) For Open Access Generators:

Open Access to the generators shall be granted up to the lesser of the Ex-Bus capacity, evacuation capacity of the line, or transfer capacity at that interconnection point, as determined by the concerned transmission or distribution licensee. The injection into the grid by the Open Access generators shall be limited to the sanctioned/granted open access capacity. Any injection

beyond the sanctioned open access capacity shall be treated in accordance with the applicable regulations. Further, for solar generators, the inverter capacity, rather than the DC capacity, shall be considered for granting open access.

Provided that Green Energy Open Access consumers may enter into multiple contracts with different RE sources, such as wind, solar, and mini-hydro, etc., and Open Access may be granted for all such capacities beyond the technical limits or CMD, as applicable. However, the drawl by the consumer during any 15-minute time block or schedule from all his suppliers shall not exceed the technical limits of the line/transfer capacity or CMD, as applicable, at the consumer end. In case suppliers furnish schedules beyond the technical limits of the line/transfer capacity or CMD, as applicable, at the consumer end, such schedules shall be limited to the technical limits or CMD, as applicable, by the SLDC. Any energy injected by the suppliers in excess of the line/transfer capacity or CMD, as applicable, at the consumer end shall be treated as inadvertent energy.

In cases where Long-Term Open Access is to be granted/sanctioned beyond the CMD, and/or where the Open Access capacity sought is beyond the line/transfer technical limits, the expenditure required for any strengthening or augmentation of existing lines or associated network shall be borne by the OA user concerned, in addition to paying development charges as prescribed by the Commission. The OA user also shall bear the expenditure required for changing the metering infrastructure.”

(By Order of the Commission)

Place: Kurnool
Date: 04.12.2025.

Sd/- 04/12/2025
P.KRISHNA
Commission Secretary i/c