ANDHRA PRADESH ELECTRICITY REGULATORY COMMISSION

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

Statement of Reasons (SOR)/ Order

The Commission decided to amend the Andhra Pradesh Electricity Regulatory Commission (Green Energy Open Access, Charges, and Banking) Regulation, 2024 (Regulation No. 3 of 2024) and accordingly hosted the first draft of the proposed amendments along with a Public Notice on its website on 26.03.2025, inviting comments, suggestions, and objections from all stakeholders and interested parties. In response, the Commission received a wide range of comments and suggestions from various stakeholders.After carefully examining all submissions, the Commission has decided to issue a revised draft of the first 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 02.09.2025, 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. The revised draft also elicited additional comments and suggestions from stakeholders. For the sake of brevity, the gist of the comments/ suggestions/objections received on the revised draft, along with the Commission's

analysis and decisions thereon, is discussed below:

Comments/suggestions/objections received and the Commission's analysis and decisions on the same

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

Draft

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

Objections/views/comments

APSPDCL objected to extending Green Energy Open Access eligibility to EV charging stations at this stage, noting that these consumers currently pay only energy charges without fixed cost recovery, while reselling power at significantly higher rates.

Commission's analysis and decision

It shall be noted that the Government of Andhra Pradesh, under the Integrated Clean Energy (ICE) Policy, 2024, has expressly recognised EV charging infrastructure as a priority growth sector to promote electric mobility and renewable energy integration. The ICE Policy also encourages procurement of input power through Open Access or Green Energy Open Access from renewable energy generators. This approach helps accelerate decarbonisation and reduce dependence on conventional power sources. Further, the current framework does not restrict any category to avail open access. The request of the APSPDCL is against the spirit of the Electricity Act, 2003, and hence, the Commission is not inclined to consider it. The draft, as proposed, is retained.

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

Draft

"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 block-wise 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."

Objections/views/comments

Amara Raja Energy & Mobility Limited objected to the introduction of the 15-minute block-wise energy settlement, stating that it has no basis in the Integrated Clean Energy (ICE) Policy, 2024 or the existing APERC Regulation No. 2 of 2006. They submitted that the ICE Policy explicitly links energy settlement to Regulation No. 2 of 2006 and that the new proposal contradicts both the policy and the Regulation, which remain in force. The stakeholder also submitted that the GEOA Regulation, 2024 and related clarification dated 03.12.2024 are under judicial review, and hence, amendments are premature. They requested that the energy settlement continue in accordance with Regulation No. 2 of 2006.

They further submitted that the ICE Policy allows 5% energy banking (~700 MW), whereas renewable captive capacity is less than 2.5% of grid demand, and restricting captive additions to 23–25% of load would halt renewable growth and contravene the MoP Notification dated 20.10.2023. According to Amara Raja, the proposed amendment would force curtailment of self-generation, increase industrial dependence on DISCOMs, and raise power costs, thereby reducing competitiveness. They requested continuation of the energy settlement under Regulation No. 2 of 2006 for RE captive plants intended for self-use.

Manikaran Power Limited requested that the nodal agency issue an illustrative procedure or guideline on energy banking and settlement for HT categories under ToD billing to ensure clarity and consistency in implementation.

APCPDCL proposed amending the Regulations to prevent over-injection of energy for banking, stating that the current provisions allow undue benefit to generators. It suggested amending Clause 9(2) and the definition of banking under Clause 2(1)(b) to restrict banking only to instances of under-drawal, not over-injection. APCPDCL also recommended limiting the banking facility to scheduled consumers within their CMD with the DISCOM, updating references to the CERC DSM Regulations, 2024, and prescribing a fixed deviation rate under APERC Regulation No. 4 of 2017 for settlement of deviations.

ViswaTeja Spinning Mills, Ranganayaka Spinning Mills Pvt. Ltd., Powerix Energy Services Pvt. Ltd., and the Green Energy Open Access India Council (GEOAIC) submitted that immediate implementation of 15-minute block-wise settlement may create operational challenges, particularly for small industries. They requested continuation of ToD-based settlement initially, allowing time for adaptation, at least up to the first 800 MW of projects commissioned under the new policy.

APTRANSCO proposed a simplified version of Clause 9(2) with illustrations to clarify it. It also suggested empowering the SLDC to consider actual generation or proportionate exit-point capacity when an Open Access generator or consumer fails to submit a day-ahead schedule due to valid exigencies.

Ecoren Energy proposed allowing banking of energy injected over and above the approved Open Access capacity. It further suggested a monthly lump-sum settlement categorised by peak, normal, and off-peak hours, instead of a 15-minute block-wise settlement, to reflect renewable variability and prevent penalisation for natural fluctuations.

ITC Limited suggested retaining the existing apportionment-based energy settlement mechanism instead of moving to 15-minute block-wise settlement, at least until cost-effective energy storage systems (ESS) become available. It stated that block-wise settlement would adversely affect the commercial viability of wind and solar developers. ITC also suggested retaining banking of excess generation in line with the ICE Policy and applying APERC Regulation No. 4 of 2017 to intra-state RE generators involved in inter-state transactions instead of the CERC DSM Regulations, which it argued are designed for large, inter-state producers.

Commission's analysis and decision

Regarding GEOA Regulation, 2024 and related clarification dated 03.12.2024 are under judicial review, and hence, amendments are premature, as contended by Amar Raja, it shall be noted that the Green Energy Open Access (GEOA) Regulations, 2024, were issued by the Commission under powers conferred by the Electricity Act, 2003, and continue to remain valid and in force, although certain clauses are sub judice. There is no stay or restraining order from the Hon'ble High Court

preventing the Commission from carrying out amendments to the Regulations.

The main submissions of the petitioners in W.P. No. 7229 of 2025 before the Hon'ble High Court are that there is an apparent inconsistency in the first limb and second limb of the clause regarding the 15-minute block-wise energy settlement, and unless an amendment is made to the regulation by the Commission by following the procedure, the clarification is impressible. Considering this submission, the Hon'ble High Court passed an order dated 20.03.2025, as follows.

*"As per first limb of Clause 9 of the Regulation No.3 of 2024, the energy settlements of all the intra-*state *Green Energy open Access of Generators/ consumers shall be done as per Regulation 2 of 2006 and its amendments from time to time.*

The second limb of clause 9 reads as follows:

"All the GEOA generators' energy shall be settled in 15-minute block-wise based on the day-ahead schedule.;

The extracted limb is, prima facie, running contrary to the second proviso to clause 4.1 of Regulation 2 of 2006 as well as first limb.

However, a letter addressed by the A.p state Lever Load Despatch centre, to the secretary of the Commission without adopting the procedure and the same was clarified in para 2 of the order impugned.

That so called clarification is detrimental to the petitioner and alike.

Prima facie, second proviso clause 4 of Regulation 2 of 2006, first limb and clause 9 of Regulation 3 of 2024 dispensed with 15-minute time block for a day, on a day-ahead schedule, the GEOA generators. The second limb of clause 9 of Regulation 2 of 2024 speaks about its block day of GEOA generators.

Given the facts and circumstances, the Clause 2 of the clarification issued by the Commission vide proceedings No.32/T-4/D.No.1501, dated 03.12.2024 is hereby suspended.

Since clause 2 of the clarification is suspended, 7th respondent shall follow the procedure contemplated in second proviso, Clause 4.1 of Regulation 2 of 2OO6 and first limb of Clause 6 of Regulation 3 of 2024 pending further orders.

*However, this order will not preclude the learned Commission to examine the issue as per the law."(**Emphasis added**)*

As seen from the above Hon'ble High Court Order, only Clause 2 of the *clarification* dated 03.12.2024 has been suspended, and not the Regulation in its entirety or the other clauses of the clarification. The Commission is also not precluded from examining the issue as per law. Therefore, keeping in view the submissions of the applicants and the Hon'ble High Court Order, the Government's letter under section 108 of the Electricity Act, 2003, and the Commission propose amendments to the principal Regulations to remove the ambiguity regarding energy settlements and other provisions. This amendment is after examining the ICE policy 2024 holistically and not contrary to it.

It shall also be noted that, when Regulation No. 2 of 2006 was initially framed, the 15-minute time block-wise settlement was initiated. At that time, renewable energy tariffs were substantially higher than those for conventional (coal-based) power, and additional facilitative measures were required to promote renewable energy development. The penetration of RE in the total grid demand was a small quantum. Accordingly, through the second proviso to clause 4.1 of Regulation 2 of 2006, RE generators were exempted from 15-minute block energy settlements. Over the years, renewable energy tariffs have significantly declined and are now often lower than conventional power tariffs. Therefore, RE penetration gained momentum, and RE installed capacity reached 255 GW, accounting for 50.5% of the country's total installed capacity of 505 GW. Similarly, installed RE capacity exceeds 8,000 MW, accounting for more than 58% of the State's highest peak demand of 13,712 MW as of now. Because of the intermittency of generation from RE sources, the Grid Security became challenging for the Grid Operators at the national and state levels. Hence, the earlier regulations framed cannot be continued in perpetuity and must evolve to meet the present system requirements. The electricity Regulators at the national and local levels have initiated several measures, such as stricter forecasting of RE through DSM Regulations and energy settlement in 15-minute time blocks, to ensure orderly penetration of RE without compromising Grid Security. This Commission has no exception. Accordingly, it has issued the GEOA Regulation 3 of 2024, which exclusively deals with RE in line with the Government of India policies. This Regulation

mandated RE settlement in 15-minute blocks for new RE generators, duly protecting the interests of generators under the old regime. Regulation 2 of 2006 is a comprehensive Regulation for the settlement of Energy of all intra-state generators and consumers. The GEOA Regulation 3 of 2024, issued by the Commission, adopts the same for the energy settlement of RE generators, except for certain specific provisions, particularly the 15-minute block energy exemption under the proviso to clause 4.1.

There are no restrictions imposed on captive renewable additions or on maintaining renewable capacity between 23% - 25% of load as alleged. Further, this Regulation adopts the banking limit as 5% of the state's peak demand, consistent with the AP ICE Policy. The provisions of this amendment are intended to promote efficient planning and operation of renewable generation in line with actual consumption patterns, thereby ensuring grid stability and system reliability. Consumers are free to plan their renewable energy mix, including solar, wind, and Battery Energy Storage Systems (BESS), to optimise self-consumption and minimise grid stress. Accordingly, the Commission has rejected all objections and suggestions raised by various stakeholders regarding the 15-minute block settlement of energy.

Regarding Manikaran Power Limited's suggestion, the Commission agrees that providing an illustrative example demonstrating the settlement would aid better understanding and transparency. Accordingly, the Commission illustrates.

The APCPDCL's suggestions regarding restricting banking to only under-drawal are not in line with the Banking definition as provided in the Regulation and the ICE policy 2024. Hence, it is not considered. However, the Commission is inclined to consider APCPDCL's suggestion to update the reference to the latest CERC DSM Regulations, 2024, for consistency for applicable OA users. The APCPDCL's proposal to fix deviation rates under Regulation No. 4 of 2017 is outside the scope of these Regulations.

The submission of APEPDCL, vide letter dated 25.11.2025, wherein concerns were raised regarding the apportionment of energy for generators having both pre-GEOA capacity and additional capacity approved under the GEOA regime but connected through the same interface meter, was considered, and the draft was suitably modified.

The suggestions of APTRANSCO have been taken positively by the Commission.

The ITC Limited's suggestion to withdraw reference to CERC DSM Regulations, 2024, regarding the deviations is not considered for the reasons mentioned supra, as the scheduling and deviations for intra-state and inter-state renewable transactions are already addressed in the draft.

Based on the above discussion and analysis of the Commission, the draft is modified as follows:

"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) generator(s) shall furnish day-ahead schedules, and the settlement of energy shall be carried out on a 15-minute block-wise basis based on the day-ahead schedule, duly considering the actual energy injection. 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 additional capacity is required under GEOA for existing Generator(s), a separate meter may be installed for such additional capacity. Where an existing generator's additional capacity is permitted through the

same interface meter under GEOA, the energy recorded in the interface meter shall be apportioned between the existing capacity and the additional GEOA capacity based on their respective schedules during the month.

Energy settlements and deviations for 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 2024, 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, which are not inconsistent with the above, 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 (including STOA) 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."

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

Draft

"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."

Objections/views/comments

ViswaTeja Spinning Mills, Ranganayaka Spinning Mills Pvt. Ltd., Powerix Energy Services Pvt. Ltd., and the Green Energy Open Access

India Council (GEOAIC) requested that all new provisions under the amended Regulations be implemented prospectively and not applied retrospectively to existing projects. They submitted that a retrospective application would cause hardship to investors and consumers who have structured their projects based on earlier regulatory and policy frameworks. They further suggested that implementation be considered only after necessary corrections in the Green Energy Open Access (GEOA) policy are finalized.

Ecoren Energy suggested that projects that have achieved financial closure before the ICE Policy, 2024, should continue to be governed by earlier applicable provisions. It also proposed that plants already approved by the State or NREDCAP and granted connectivity prior to the new regulation should continue under the earlier energy settlement mechanism rather than the 15-minute block-wise settlement.

APTRANSCO suggested that the implementation of the amended Regulation should be prospective from the date of Gazette notification, taking into account the ongoing court proceedings and the time gap since the original notification dated 02.05.2024. It further submitted that voltage upgradation of existing open access consumers or generators shall not be considered as a fresh case for applying the APERC Green Energy Open Access (GEOA) Regulation No. 3 of 2024.

Commission's analysis and decision

Regarding stakeholders' concern that the retrospective application of the amendments may create uncertainty for projects planned and implemented under the earlier policy and regulatory framework, this aspect has already been clearly addressed in Clause 10 of the principal Green Energy Open Access Regulation (Regulation No. 3 of 2024), which provides explicit guidance on the treatment of existing entities.

The said clause specifies that existing consumers and generators shall continue to avail open access under their existing agreements or government policies for the duration specified therein, subject to compliance with the Electricity Act, 2003. It further clarifies that, after expiry of such agreements, the provisions of the current Regulation shall govern open access, and that any additional power requirement may be availed under the Green Energy Open Access framework.

However, for better clarity, after examination of the suggestions, the clause is modified as follows:

"10. Treatment for existing entities and new ones:

The Green Energy consumer(s) and generator(s) who were granted Open Access in accordance with Regulation No. 2 of 2005, prior to the notification and commencement of the APERC Green Energy Open Access (GEOA) Regulation No. 3 of 2024, shall continue to be governed by the existing agreements or government policy for the period specified in those agreements or policies, to the extent they are not inconsistent with the Act.

For the Green Energy consumer(s) and generator(s) who were granted Open Access under the ambit of the GEOA Regulation No. 3 of 2024, and before the effective date of this First Amendment to Regulation No. 3 of 2024, the provisions of the GEOA Regulation, 2024, read with the clarifications issued by the Commission and any subsequent orders shall apply subject to Judgement of the Hon'ble High Court, for settlement of energy till the notification of this first amendment. Thereafter, this first amendment is applicable.

The Green Energy projects already commissioned and those under various stages of construction, under the provisions of earlier Regulations, shall stand governed by those Regulations till the completion of the term of such agreements in all respects. However, in cases where, after the issue of approvals, the projects are not completed within the timelines stipulated in approvals, all such projects shall come under the purview of the GEOA principal Regulation and its amendments.

For the Green Energy Consumer(s) and generator(s) who are granted Open Access under the ambit of this First Amendment to Regulation No. 3 of 2024, the provisions of this amended Regulation shall apply.

The Green Energy Open Access for the period after expiry of the existing agreement in respect of such consumer(s)/generator(s) shall be governed by the provisions of this First Amendment to Regulation No. 3 of 2024 and any amendments thereof.

The existing Open Access consumer(s) may avail any additional power other than the existing sources through Green Energy Open Access

under this First Amendment to Regulation No. 3 of 2024 and any amendments thereof.

Any general amendments regarding changes in Names, Entry/Exit points, voltage upgradations, and contracted capacities as per the provisions of the existing Open Access agreements, till the expiry of such agreements, shall not be considered for the application of APERC GEOA Regulation No. 3 of 2024 and its amendments. All new applications, applications for additional capacity and applications for renewal (not inconsistent with the above) of the existing OA generator shall be covered by the GEOA Regulation 2024.

For energy settlement purposes, the effective date of this First Amendment to Regulation No. 3 of 2024 shall be the first day of the next billing cycle following its notification in the Andhra Pradesh Gazette."

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

Draft

"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"

Objections/views/comments

APSPDCL submitted that the DISCOMs' right to install check or standby meters for LT Green Energy Open Access consumers should be retained, stating that removal of such meters could lead to billing disputes and verification issues.

APTRANSCO proposed that no check or standby meters are required for LT consumers/prosumers, and that if the main meter fails, the open access energy for the billing month shall be settled based on the average consumption of the preceding six months. APTRANSCO further proposed deleting the term "renewable energy meter" from the clause and supported the inclusion of the six-month average settlement provision for main meter failure.

Ecoren Energy submitted that DISCOMs are presently mandating the

installation of Availability-Based Tariff (ABT) meters for all open access consumers, irrespective of the voltage level at the interconnection point. He stated that the high cost of ABT meters places an additional financial burden on Green Energy Open Access consumers and acts as a deterrent to renewable energy adoption. He suggested inclusion of a new clause specifying that ABT meters shall not be mandatory for Green Energy Open Access consumers with a Contracted Maximum Demand (CMD) of less than 500 kW.

Commission's analysis and decision

With regard to APSPDCL's submission on retaining the provision for the installation of check or standby meters for LT Green Energy Open Access consumers to avoid billing disputes and verification issues, the Commission has already issued a clarification on the settlement of energy in case the meter fails. Mandating the installation of a check-and-standby meter for all LT consumers or prosumers would discourage the SRTPVS, particularly among those with small loads. However, the DISCOMs may install check meters wherever deemed necessary for verification purposes at their cost; hence, the Commission is not inclined to make such installation mandatory in all cases.

The Commission has examined APTRANSCO's submission regarding the deletion of the term "renewable energy meter" from Clause 11. The Commission notes that the Central Electricity Authority (Installation and Operation of Meters) Regulations, 2006, and its subsequent amendments already prescribe metering standards and arrangements for renewable energy systems. The Commission observes that smart meters, being more advanced and fully compliant with the CEA standards, meet and exceed the functional requirements of renewable energy meters. As DISCOMs are extensively deploying smart meters under the RDSS programme, retaining both terms would create redundancy. Further, the Commission also vide its proceeding in Pr.No. 43 /25, Dt 24 .02.2025 has already amended the General Terms and Conditions of Supply (GTCS), wherein provisions relating to smart meters have been incorporated. Accordingly, the Commission decides to remove the term "renewable energy meter" from the clause.

The Commission has examined Ecoren Energy's submission regarding the exemption from the mandatory installation of Availability-Based Tariff (ABT)

meters for Green Energy Open Access consumers with a Contracted Maximum Demand (CMD) of less than 500 kW, which is inconsistent with the CEA metering Regulation.

Based on the above analysis and decisions, the Commission has modified the draft clause as follows:

> *"Metering: Metering shall be done in accordance with the provisions of CEA (Installation and Operation of Meters) Regulations 2006, as amended from time to time. Further, the practice directions and the Regulations issued by this Commission in accordance with the metering Regulations of CEA shall also be complied with.*
>
> *A Smart meter shall be mandatory for consumers/prosumers under LT supply to avail Open Access under this Regulation. The check meter and standby meter are not mandatory for the LT consumers/prosumers."*

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

Draft

> *"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"

Objections/views/comments

Aurobindo Pharma Limited submitted that the standby charges under Clause 12(d) are meant to address contingencies or planned maintenance. They stated that while advance intimation, even 7 days prior, is feasible for planned shutdowns, sudden faults or trippings occur without warning, making the 2-hour prior notice requirement impractical. They cited a plant tripping incident caused by a lightning arrester failure at the substation to illustrate the unpredictability of such events. The company further contended that grid-connected generators supplying through the grid are allowed a standby facility without such notice, whereas co-located conventional captive power plants operating in parallel are not, resulting in discriminatory treatment. They also noted that, because the grid is an infinite system operating under the ABT regime, it can absorb such variations without operational risk, making the 2-hour notice condition technically unnecessary.

They further stated that the draft Regulations apply standby charges only to Green Energy Open Access (GEOA) consumers, excluding on-site conventional captive and cogeneration plants, and requested that the same provision be extended to such plants by inserting a new clause, proposed as 17.1(vi)(a), in the revised Second Amendment to Regulation No. 2 of 2005.

They also sought directions to DISCOMs for the uniform implementation of the Letter of Credit (LC) provisions, citing their case in which the DISCOM

mandated them to furnish an irrevocable LC for Open Access evacuation from their solar power plant, despite not opting for a standby arrangement and being exempt under the Regulation.

APCPDCL submitted that the transmission and distribution networks are designed to meet contingencies and system reliability standards under (n-1) and (n-2) criteria. Hence, providing a standby supply for 72 hours or on demand may not always be feasible, particularly during sudden breakdowns, natural calamities, or power exigencies. They stated that arranging standby power as and when requested by consumers may not be possible due to unforeseen field conditions, non-availability of power in the market during peak hours, and high price volatility. They further stated that DISCOMs plan and procure power in day-ahead, week-ahead, and term-ahead markets, and in emergencies through the Real Time Market (RTM) on a 15-minute block basis. Providing standby on two hours' notice would therefore be operationally challenging for shift operators and would require a predefined communication protocol aligned with market bidding timelines. Accordingly, they suggested aligning the notice window with the day-ahead Market (DAM) bidding timeline (10:00 a.m. to 12:00 p.m.) rather than the proposed two-hour period.

They also proposed that standby supply may be limited to 20% of the consumer's Contracted Maximum Demand (CMD) with the DISCOM, and that an irrevocable Letter of Credit (LC) may be mandated where standby exceeds 72 hours. Additionally, they proposed inclusion of a proviso empowering the DISCOM to disconnect supply in the event of non-payment of standby charges.

Manikaran Power Limited requested that an illustrative example be included in the Regulation to demonstrate the computation of standby charges under different scenarios.

Commission's analysis and decision

The Commission's intent in prescribing a 2-hour prior notice is to ensure grid discipline and system preparedness while permitting standby drawal by colocated plants. The Commission acknowledges that sudden tripping or forced outages caused by unforeseen contingencies, such as equipment failure, cannot always be anticipated. Therefore, if tripping is caused by a fault in the distribution or transmission network, the DISCOMs may not be

able to supply to the consumer during such faults. It shall also be noted that under the Real Time Market (RTM), the DISCOMs can procure power and secure delivery within four-time blocks. This justifies the stipulation of a 2-hour prior notice.

Regarding the alleged discrimination between grid-connected generators and co-located captive power plants, the Commission observes that ensuring a continuous power supply from a co-located captive generating unit rests solely with the generator. The SLDC and the DISCOMs do not have operational visibility or real-time control over the generation from such captive units. In contrast, open access consumers are subject to approved generation and drawal schedules submitted to the SLDC, which enable real-time monitoring and operational coordination to provide standby support when required.

Further, the Commission notes that even the National Tariff Policy recognises the provision of a standby supply only in respect of open access consumers. Therefore, extending the same provision to co-located captive plants, which operate independently of the grid scheduling framework, is neither envisaged under the policy nor technically feasible. Hence, the two categories are not comparable. Standby supply for co-located plants is at SERCs' sole discretion, and no modification is warranted on this account.

Regarding the request to extend the standby charge provisions to on-site conventional captive and cogeneration plants, this is not within the purview of the present Regulation. However, this may be considered in RST Orders as Standby charges are also part of the Retail Supply Tariff Schedule. Any alleged non-compliance with the Regulations/Orders may be taken up before the appropriate forum.

On the issue of Letter of Credit (LC) implementation and other matters, after examining all suggestions and balancing the interests of DISCOMS and consumers, the draft is modified as follows.

> *“d) Standby charges: The standby charges shall apply only to Long-term GEOA consumers who request a standby arrangement from the DISCOM for demand in excess of their CMD, either at the time of entering into the Open access agreement or subsequently. The standby arrangement shall also be provided for the co-located power plants upon request to the concerned DISCOM, and the DISCOM shall approve*

such request within 1 week from the date of receipt of the request, in accordance with this Regulation and its amendments.

If the green energy 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 such consumers, the standby arrangement and its corresponding LC shall not be applicable.

The consumer shall promptly inform the DISCOM about availing the standby supply when their OA source fails.

The Standby Charges shall be 120% of the normal tariff (on 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) for a duration not exceeding 72 hours cumulatively for all events (each continuous failure of OA supply shall be treated as 1 event) in a billing month.

When the standby supply is required for more than 72 hours continuously in any event, the consumer shall issue a notice to the DISCOM within 48 hours of availing the standby supply. 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. The DISCOM shall provide the standby supply subject to power availability with the DISCOM and in the Real Time Market (RTM). 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.

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.

Regarding the standby arrangement required by consumers, an LC for three days of open access consumption shall be furnished. Where the standby requirement extends beyond seventy-two (72) hours, the LC

amount shall be dynamically enhanced by the consumer to the DISCOM to ensure continued payment security failing which, the standby charges shall be 150% of the 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.

The standby arrangement shall not be applicable when R&C measures are in place.

The standby tariff and other terms and conditions defined in this Regulation shall apply from the date of notification of this Regulation until 31.03.2026. The Commission shall determine the standby charges and their terms and conditions in the RST Orders, from FY 2026-27 onwards."

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

Draft

"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."

Objections/views/comments

ViswaTeja Spinning Mills, Ranganayaka Spinning Mills Pvt. Ltd., Powerix Energy Services Pvt. Ltd., and Green Energy Open Access India Council submitted that Battery Energy Storage Systems (BESS) are an emerging technology and should be encouraged through suitable regulatory support. They suggested that energy drawn from BESS projects be exempted from the Cross Subsidy Surcharge (CSS) for a period of at least twelve (12) years from the date of commissioning to promote adoption and investment in storage infrastructure.

APSPDCL submitted that granting exemptions under the proposed Regulations would reduce the cross-subsidy base of the DISCOMs and consequently shift the financial burden to other consumer categories. The DISCOM stated that such policy-driven concessions should not be borne by the licensees but should be treated as subsidies in accordance with Section 65 of the Electricity Act, 2003, with the State Government required to reimburse the resulting revenue loss.

Commission's analysis and decision

Regarding the suggestion to exempt the Cross Subsidy Surcharge (CSS) on energy drawn from Battery Energy Storage Systems (BESS), the Integrated Clean Energy (ICE) Policy, 2024, does not provide such an exemption. Considering the DISCOM's suggestion, the draft is modified as follows:

> *"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.*
>
> *The Distribution Licensee shall claim the waivers under Section 65 of the Electricity Act, 2003, from the Government of Andhra Pradesh."*

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

Draft

> *"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"*

Objections/views/comments

Manikaran Power Limited suggested that unutilised banked energy be compensated at 100% of the last discovered SECI tender rate, instead of the proposed 75%, since DISCOMs already receive Renewable Purchase Obligation (RPO) or Renewable Consumption Obligation (RCO) benefits from such energy. This, they stated, would ensure fair value for prosumers and encourage the adoption of renewable energy. They further submitted that renewable energy developers face difficulty in forecasting the exact banking duration and allocation for the upcoming financial year due to variations in generation and consumption patterns. Manikaran also expressed concern that pre-booking of banking capacity may lead to under-utilisation while requiring full payment of banking charges, and that capping total banking allocation could limit new renewable projects, as existing consumers may block available capacity. They proposed a flexible or rolling allocation mechanism to ensure efficient utilisation and equitable access for new entrants.

APCPDCL proposed that payment for unutilised banked energy be removed, and instead, Renewable Energy Certificates (RECs) be issued to the concerned consumer. The DISCOM stated that, as per the draft provision, the notional compensation (~ Rs. 2,000 per REC) is considerably higher than the prevailing REC market rate (~ Rs. 400), thereby imposing a financial burden on the DISCOMs.

APTRANSCO proposed the inclusion of a clarification under Clause 14(3) stating that electricity obtained through Open Access, either from third-party suppliers or captive generation using the distribution network, shall be excluded while determining the permissible quantum of banked energy. It further suggested that where multiple consumers avail Open Access from a common generator, the permissible quantum of banked energy should be allocated proportionately to each consumer based on their exit point capacity.

Ecoren Energy proposed that compensation for unutilised banked energy be paid at the SECI-discovered tariff corresponding to the respective renewable energy source and ToD slot:

- Normal hours – SECI Wind tariff
- Peak hours – BESS / Solar +BESS tariff

- Off-peak hours – SECI Solar tariff

They further suggested that the applicable SECI tariff rate of the year of commissioning remain fixed for 25 years.

ITC Limited proposed that banking be carried out on a monthly billing cycle or for the open access period, and that unutilised banked energy at the end of each cycle be compensated at 75% of the last discovered SECI tender rate, with the corresponding RPO/RCO benefit credited to the DISCOM.

National Solar Energy Federation of India (NSEFI) and the Indian Wind Power Association (IWPA) proposed a differentiated compensation framework acknowledging the difference in capital cost between renewable sources:

- Wind – 75% of the APPC tariff,
- Solar – 50% of the APPC tariff.

They also recommended establishing a Payment Security Mechanism, such as a Letter of Credit (LC) or government-backed security, to ensure timely payment for unutilised banked energy and enhance project bankability and investor confidence.

Commission's analysis and decision

The Commission has examined the various suggestions received from stakeholders on the provisions relating to banking allocation, unutilised banked energy compensation, and associated mechanisms.

It shall be noted that banking is a facilitative mechanism extended to renewable energy generators and consumers to address the temporal mismatch between generation and consumption. It is not intended to function as a storage service or a commercial transaction warranting full tariff-based compensation. The proposed compensation for unutilised banked energy at 75% of the SECI-discovered tariff is a notional and limited payment mechanism intended to recognise the residual value of surplus energy while discouraging routine or excessive banking. The primary intent is that renewable generation should be fully utilised with minimal disturbance to the grid, and not treated as a means of deferring sale or return of power. Hence, the Commission does not consider it appropriate to provide 100% compensation for unutilised banked energy.

Regarding the concerns raised by Manikaran Power Limited regarding

pre-booking of banking capacity and limit, the request is also rejected for the reasons stated above.

The APCPDCL's proposal to discontinue payment for unutilised banked energy and instead issue Renewable Energy Certificates (RECs) and other stakeholders' suggestions in this regard are also rejected, as the rate paid for unutilised energy is merely compensatory. APTRANSCO's suggestion is noted. However, the suggestion to fix the tariff at the time of commissioning for 25 years is considered to provide regulatory certainty and enable better financial planning. The Regulation is modified accordingly.

As regards the proposals of NSEFI and IWPA to differentiate compensation between solar and wind projects and to introduce a payment security mechanism such as a Letter of Credit (LC), the Commission reiterates that the purpose of banking is not to provide assured commercial compensation or storage returns but to facilitate limited balancing flexibility for renewable integration. Mandating LC arrangements for such settlements would impose an unwarranted financial and administrative burden on DISCOMs and is therefore not justified. Accordingly, these suggestions are not accepted.

Based on the above analysis and decisions, the Commission has modified the proposed clause as shown below:

> *"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 unutilised 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 unutilised banked energy. In case SECI tariffs are not available for the RE technology, the tariffs decided by the Commission will apply.*
>
> *The tariffs applicable for unutilized banked energy for projects achieved CoD in FY 2025-26 are as follows:*
>
> - *Solar: Rs. 2.25 per unit.*
> - *Wind: Rs. 2.98 per unit.*
> - *Wind-solar hybrid: Rs. 2.44 per unit.*
> - *Mini-hydel: Rs. 2.43 per unit.*

The above tariff shall remain fixed for the period till which the banking arrangement is in place in accordance with their agreements.

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

Draft

"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"

Objections/views/comments

Manikaran Power Limited submitted that the proposed amendment links the 30% banking limit to consumption from the distribution licensee rather than to total green energy consumption. It stated that this deviates from the earlier draft, which allows banking up to 30% of monthly green energy consumption, and requested that the earlier proposed clause from the first draft be retained.

ReNew Private Limited submitted that linking the 30% banking limit to DISCOM consumption instead of renewable energy consumption would adversely affect the viability of Green Energy Open Access, particularly for renewable energy–intensive industries such as green hydrogen and RE equipment manufacturing. It requested that the earlier proposed provision in the first draft, i.e., permitting banking of 30% of total monthly renewable energy consumption, be retained, or that sector-specific exemptions be introduced with a phased approach.

ViswaTeja Spinning Mills, Ranganayaka Spinning Mills Pvt. Ltd., Powerix Energy Services Pvt. Ltd., and **the Green Energy Open Access India Council (GEOAIC)** suggested reconsidering the 30% capping on banked energy.

Ecoren Energy submitted that renewable energy already faces technical and operational limitations, such as CUF restrictions and monthly settlement requirements. It proposed that the 30% banking limit should exclude the 8% banking charges in kind and that unutilised energy at the end of the billing cycle should first be adjusted against banking charges. They suggested defining the 30% limit based on combined DISCOM and renewable energy consumption.

ITC suggested revising the clause to permit banking up to 30% of total monthly consumption from open access or the DISCOM, whichever is higher, and proposed that lapsed unutilised banked energy be eligible for Renewable Energy Certificates (RECs) or accounted toward DISCOMs' Renewable Purchase Obligation (RPO) or Renewable Consumption Obligation (RCO) if unclaimed.

National Solar Energy Federation of India (NSEFI) and **Indian Wind Power Association (IWPA)** requested that the cap on maximum permissible banking be removed and that a minimum entitlement of at least 30% of total monthly green energy consumption be introduced. They submitted that the current restriction limits operational flexibility and may discourage renewable adoption, while several other states have adopted a more progressive minimum banking provision.

Commission's analysis and decision

The Commission has examined the various suggestions received from stakeholders seeking modification of the proposed 30% banking limit, including requests to retain the earlier formulation linking the limit to total renewable energy consumption, to provide sector-specific exemptions for industries such as green hydrogen and renewable equipment manufacturing, and to make the cap more flexible.

The Commission notes that the linkage of the 30% banking limit to consumption from the distribution licensee was itself proposed by several stakeholders during the public consultation on the first draft of the Regulation, with the intent to align the provision with the Ministry of Power's

Green Energy Open Access Rules, 2022 and to ensure consistency with the national framework. The Commission also notes that Rule 8(2) of the said Rules, issued under Section 176 of the Electricity Act, 2003, explicitly provides that the permitted quantum of banked energy "shall be at least thirty percent of the total monthly consumption of electricity from the distribution licensee by the consumers. In view of the above, and to remove any ambiguity in interpretation, the Commission clarifies that the 30% banking entitlement under these Regulations shall be linked to consumption by the distribution licensee during the billing period, and not to total renewable energy generation or total drawal from all sources. This approach ensures consistency with the Central Rules while maintaining a prudent balance between consumer flexibility, grid security, and the financial sustainability of the DISCOMs.

The Commission is of the view that the 30% limit provides a reasonable degree of flexibility while preventing excessive banking that could lead to over-injection during surplus periods, particularly during solar hours when system demand is low. The DISCOMs already face challenges in managing surplus renewable generation and disposing of such power in the market. As power markets evolve, participants are expected to adopt more accurate forecasting and optimise their renewable energy procurement to align with their consumption patterns, thereby minimising dependence on DISCOMs for balancing deviations.

The Commission is of the view that providing exemptions or higher banking entitlements for specific categories of consumers or industries cannot be incorporated into the Regulation. Any such category-wise concessions, including those for green hydrogen or renewable equipment manufacturing units, fall within the policy domain of the State Government, which must provide corresponding financial support or subsidy under Section 65 of the Electricity Act, 2003. Should the Government issue any such directions in the future, the Commission will examine the matter at that time.

Accordingly, the Commission is not inclined to modify the proposed clause. The 30% banking limit linked to consumption from the distribution licensee is retained as proposed in the draft Regulation.

Further, the Commission examined ITC's suggestion regarding the issuance of Renewable Energy Certificates (RECs) for lapsed banked energy. The

Commission notes that the draft already provides for REC entitlement to renewable energy generators for lapsed surplus energy and further specifies that any unclaimed lapsed energy shall be accounted toward the DISCOMs' Renewable Purchase Obligation (RPO) or Renewable Consumption Obligation (RCO).

While evaluating the banked energy settlement framework, the Commission considered it necessary to provide explicit clarity on the sequence in which lapsed banked energy shall be adjusted across the Time-of-Day (ToD) slots. The Commission notes that the earlier draft did not specify the lapse order, which could lead to inconsistent interpretation during settlement. To remove ambiguity and ensure uniform application, the Commission has now decided to specify that lapsed energy shall be deducted first from Off-peak hours, followed by Normal hours, and lastly from Peak hours.

The Commission observes that this sequence of lapses is beneficial to consumers, as lapsing energy in Peak or Normal hours first would unnecessarily reduce the available quantum for adjustment across other ToD slots. Conversely, deducting from Off-peak hours first maximises consumer flexibility in utilising banked energy during higher-value periods.

The Ecoren's other suggestions were also not considered in view of the financial implications associated with the suggestion.

Based on the above discussion and analysis, the draft has been modified as follows.

> *"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. Such lapsed energy shall be deducted first from off-peak hours, then from normal hours, and finally from peak hours.*
>
> *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 unutilised 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."

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

Draft

"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."

Objections/views/comments

Manikaran Power Limited suggested that off-peak banked energy should be adjusted first during off-peak Time-of-Day (ToD) slots, followed by normal slots, to encourage greater utilisation of solar energy. It further sought clarification on whether the proposed 5% peak demand cap applies at the state level or to individual consumers.

ReNew Private Limited proposed that banking and drawal be aligned with the Time-of-Day (ToD) slots notified in the Retail Supply Tariff (RST) Orders rather than prescribing fixed hours in the Regulation. It further suggested that settlement be limited to Peak and Off-Peak hours, where energy banked during peak slots may be drawn during peak or off-peak slots, and energy banked during off-peak slots may be drawn only during off-peak slots. ReNew also requested the removal of the 5% peak demand capping, stating that it is not provided for in the Ministry of Power's Green Energy Open Access Rules, 2022, and creates ambiguity and uncertainty for renewable energy developers and industries.

APCPDCL proposed that the 5% peak demand cap be applied at the DISCOM level rather than the state level, and that Open Access capacities existing prior to the APERC GEOA Regulations, 2022, not be excluded.

ViswaTeja Spinning Mills, Ranganayaka Spinning Mills Pvt. Ltd., Powerix Energy Services Pvt. Ltd., and the Green Energy Open Access India Council (GEOAIC) submitted that the proposed changes to the Retail Supply Tariff (RST) time slots may discourage utilisation of solar energy. They requested the Commission to re-examine the proposal to ensure that renewable energy adoption by industries and consumers is not adversely affected.

APTRANSCO suggested that the adjustment of banked energy from peak hours should be carried out in the order of peak, normal, and off-peak. It also provided an illustration showing projected peak demand vis-à-vis the expected Green Energy Open Access (GEOA) banking limit for the period FY 2025–26 to FY 2029–30 to support the proposal.

Ecoren Energy proposed that the ToD slots specified under the ICE Policy, 2024, be adopted in the Retail Supply Tariff Orders. It also suggested that the proposed 5% peak demand limitation should not apply to existing renewable energy plants.

AMPIN Energy Transition proposed that energy banked during off-peak hours be allowed to be drawn or adjusted only during off-peak (solar) and normal hours. It also requested the deletion of the provision linking the banking quantum to the 5% peak load cap.

ITC Limited proposed a specific framework for ToD banking and drawal, allowing adjustment of energy across different ToD slots with differential charges. It further suggested that the APSLDC define the applicable ToD slots in consultation with DISCOMs, and that these be filed in their Retail Supply Tariff proposals and approved by the Commission.

National Solar Energy Federation of India (NSEFI) and the Indian Wind Power Association (IWPA) proposed removing the 5% state-level cap on bank lending linked to peak grid demand. They further suggested allowing withdrawal of energy banked during off-peak (solar) and normal hours, citing similar practices in states such as Rajasthan, Gujarat, Chhattisgarh, Uttar Pradesh, Haryana, Karnataka, and Tamil Nadu.

Commission's analysis and decision

The Commission has examined the various suggestions received from stakeholders regarding the adjustment priority for banked energy, the

alignment of Time-of-Day (ToD) slots, the applicability of the 5% peak demand cap, and other operational aspects of banking and settlement.

With regard to ToD slot alignment, ToD slots as approved by the Commission will be the basis for banking adjustment, keeping the proposed ToD timings in the ICE Policy and APSLDC's suggestions in view.

Regarding the sequence of adjustment of banked energy, the Commission observes that the proposed sequence of *peak → normal → off-peak* adjustment aligns with both operational logic and system efficiency, as it better manages demand during high-load periods while encouraging off-peak consumption. Accordingly, the Commission accepts the approach suggested by APTRANSCO and has modified the proposed Regulation accordingly.

On the issue of the 5% peak demand cap, the Commission clarifies that this cap is not intended to restrict Open Access or renewable energy utilisation but to ensure grid stability and prevent over-banking during peak demand hours or peak months. The Commission further clarifies that the cap applies at the state level, as clearly mentioned in the proposed Regulation, since it reflects the aggregate system peak load condition rather than that of an individual DISCOM or consumer. Being a percentage-based limit, it automatically scales with the overall state demand, including that of Green Energy Open Access consumers. Therefore, as total demand increases, the permissible banking limit also increases proportionally. In view of this, the Commission considers the existing 5% provision sufficient for the time being. The proposed clause in the Regulation already clarifies that the 5% cap shall not apply to Open Access capacities commissioned prior to the *APERC Green Energy Open Access Regulations, 2024.*

With regard to concerns about discouraging solar utilisation, the Commission notes that the ToD-based settlement mechanism is specifically designed to encourage solar consumption during off-peak (solar) hours and to optimise the overall renewable energy mix. Hence, the current framework already promotes renewable energy utilisation without any adverse impact.

All other suggestions, including those seeking removal of the 5% cap or differential ToD banking mechanisms, are rejected, keeping the other consumers' interest in view and for the reasons discussed in earlier paragraphs.

Based on the above discussion and analysis, the draft is modified as follows.

"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 banked energy shall be settled as specified below.

- *Energy banked during peak hours shall only be drawn/adjusted during peak, normal, and off-peak 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 normal ToD slots, followed by off-peak 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 drawal 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 Open Access users shall apply, along with the duration, and receive from the nodal agency an allocation as per the procedure stipulated by it, within the limits stipulated by SLDC, to avail of the banking facility. However, the generator capacities under the existing OA agreements, prior to the issue of the APERC GEOA Regulation 2024, shall be excluded from the above capacity.

Provided that the peak demand to be considered shall be as per the estimated peak demand projected by the State Load Despatch Centre (SLDC), and in the absence of such projection, the peak demand approved in the Multi-Year Tariff (MYT) Order shall be considered."

x. The following text shall be inserted as sub-clause d) under Clause 22 of the Principal Regulation.

Ecoren Energy suggested that projects commissioned during the policy period should retain the applicable benefits for the full policy period, regardless of subsequent amendments.

Commission's analysis and decision

The Commission has examined the above suggestion and observed that the existing Regulations lack a savings provision for projects commissioned under this Regulation, protecting them from any future amendments. Hence, the Commission is inclined to insert a new sub-clause as follows.

"d) Notwithstanding anything contained in the future Regulations or any amendments issued hereafter to this Regulation, all agreements entered into under the provisions of this Regulation (such as banking and its period, waivers, etc.) shall remain operative and protected for the term stipulated in the respective GEOA agreements/Policy Period, whichever is higher."

xi. Clause 2. (1). b. of the Principal Regulation shall be substituted with the following.

Commission's analysis and decision

To maintain coherence, the definition of banking has been suitably modified without altering the original intent, as below.

""Banking" means a facility through which the unutilized portion of energy (under utilisation by the consumer or excess generation over and above the schedule by the generator) from any of the Green Energy Sources (wind, solar, wind-solar hybrid, and Mini-hydel) during a billing month is kept in a separate account and such energy accrued shall be treated in accordance with the conditions laid down in this Regulation."

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

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

Annexure I

List of Objectors

Sl.	Name of Stakeholders
1.	Sri. M. Venugopala Rao, Senior Journalist & Convener, Centre for Power Studies, Hyderabad (Sought time extension)
2.	Sri. Kandharapu Murali, Secretariat Member, CPI(M), Tirupati District Committee, Tirupati (Sought time extension)
3.	Aurobindo Pharma Limited.
4.	Sri. U. Kumar, APTMA. (Sought time extension)
5.	APSPDCL.
6.	Sri. Kumara Swamy K, General Manager Electrical, Amara Raja Energy & Mobility Limited.
7.	Manikaran Power Limited.
8.	Sri. I. Gopinath, SICMA. (Sought time extension)
9.	ReNew Private Limited.
10.	APCPDCL.
11.	ViswaTeja Spinning Mills.
12.	Sri. G. RamaLingeswara Rao, Ranganayaka Spinning Mills Pvt. Ltd.
13.	Sri. Ganesh. K.L, Manager, Powerix Energy Services Private Limited.
14.	Sri. Nesara. O.M, Analyst-Policy and Regulatory, Green Energy Open Access India Council.
15.	India Wind Power Association.
16.	Transmission Corporation of Andhra Pradesh Ltd. (APTRANSCO).
17.	Sri. Murthy Pendyala, Vice President – Commercials, Ecoren energy.
18.	Sri. Shriprakash Rai, CRO, C&I Business, AMPIN Energy Transition.
19.	ITC Limited.
20.	National Solar Energy Federation of India (NSEFI)

Annexure II

ANDHRA PRADESH ELECTRICITY REGULATORY COMMISSION

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

[Regulation No. 11 of 2025]

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 by attracting investment 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 and on other provisions of the Principal Regulation. After carefully examining all the submissions, the Commission has issued a revised draft of the first amendment and invited stakeholder suggestions. After discussion and analysis on all objections, suggestions and views as detailed in the Order dated 04.12.2025, the final first amendment to Regulation 3 of 2024 as detailed below.

1. Short Title, Extent, and Commencement

i. 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. Clause 2. (1). b. of the Principal Regulation shall be substituted with the following.

"Banking" means a facility through which the unutilized portion of energy (under utilisation by the consumer or excess generation over and above the schedule by the generator) from any of the Green Energy Sources (wind, solar, wind-solar hybrid, and Mini-hydel) during a billing month is kept in a separate account and such energy accrued shall be treated in accordance with the conditions laid down in this Regulation

3. 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 Energy Open Access (GEOA) generator(s)."

4. 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) generator(s) shall furnish day-ahead schedules, and the settlement of energy shall be carried out on a 15-minute block-wise basis based on the day-ahead schedule, duly considering the actual energy injection. 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 additional capacity is required under GEOA for existing Generator(s), a separate meter may be installed for such additional capacity. Where an existing generator's additional capacity is permitted through the same interface meter under GEOA, the energy recorded in the interface meter shall be apportioned between the existing capacity and the additional GEOA capacity based on their respective schedules during the month.

Energy settlements and deviations for 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 2024, 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, which are not inconsistent with the above, 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 (including STOA) 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."

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

"*10. Treatment for existing entities and new ones:*

The Green Energy consumer(s) and generator(s) who were granted Open Access in accordance with Regulation No. 2 of 2005, prior to the notification and commencement of the APERC Green Energy Open Access (GEOA) Regulation No. 3 of 2024, shall continue to be governed by the existing agreements or government policy for the period specified in those agreements or policies, to the extent they are not inconsistent with the Act.

For the Green Energy consumer(s) and generator(s) who were granted Open Access under the ambit of the GEOA Regulation No. 3 of 2024, and before the

effective date of this First Amendment to Regulation No. 3 of 2024, the provisions of the GEOA Regulation, 2024, read with the clarifications issued by the Commission and any subsequent orders shall apply subject to Judgement of the Hon'ble High Court, for settlement of energy till the notification of this first amendment. Thereafter, this first amendment is applicable.

The Green Energy projects already commissioned and those under various stages of construction, under the provisions of earlier Regulations, shall stand governed by those Regulations till the completion of the term of such agreements in all respects. However, in cases where, after the issue of approvals, the projects are not completed within the timelines stipulated in approvals, all such projects shall come under the purview of the GEOA principal Regulation and its amendments.

For the Green Energy Consumer(s) and generator(s) who are granted Open Access under the ambit of this First Amendment to Regulation No. 3 of 2024, the provisions of this amended Regulation shall apply.

The Green Energy Open Access for the period after expiry of the existing agreement in respect of such consumer(s)/generator(s) shall be governed by the provisions of this First Amendment to Regulation No. 3 of 2024 and any amendments thereof.

The existing Open Access consumer(s) may avail any additional power other than the existing sources through Green Energy Open Access under this First Amendment to Regulation No. 3 of 2024 and any amendments thereof.

Any general amendments regarding changes in Names, Entry/Exit points, voltage upgradations, and contracted capacities as per the provisions of the existing Open Access agreements, till the expiry of such agreements, shall not be considered for the application of APERC GEOA Regulation No. 3 of 2024 and its amendments. All new applications, applications for additional capacity and applications for renewal (not inconsistent with the above) of the existing OA generator shall be covered by the GEOA Regulation 2024.

For energy settlement purposes, the effective date of this First Amendment to Regulation No. 3 of 2024 shall be the first day of the next billing cycle following its notification in the Andhra Pradesh Gazette."

6. Clause 11 of the Principal Regulation shall be substituted with the following.

"Metering: Metering shall be done in accordance with the provisions of CEA (Installation and Operation of Meters) Regulations 2006, as amended from time to

time. Further, the practice directions and the Regulations issued by this Commission in accordance with the metering Regulations of CEA shall also be complied with.

A Smart meter shall be mandatory for consumers/prosumers under LT supply to avail Open Access under this Regulation. The check meter and standby meter are not mandatory for the LT consumers/prosumers."

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

"d) Standby charges: The standby charges shall apply only to Long-term GEOA consumers who request a standby arrangement from the DISCOM for demand in excess of their CMD, either at the time of entering into the Open access agreement or subsequently. The standby arrangement shall also be provided for the co-located power plants upon request to the concerned DISCOM, and the DISCOM shall approve such request within 1 week from the date of receipt of the request, in accordance with this Regulation and its amendments.

If the green energy 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 such consumers, the standby arrangement and its corresponding LC shall not be applicable.

The consumer shall promptly inform the DISCOM about availing the standby supply when their OA source fails.

The Standby Charges shall be 120% of the normal tariff (on 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) for a duration not exceeding 72 hours cumulatively for all events (each continuous failure of OA supply shall be treated as 1 event) in a billing month.

When the standby supply is required for more than 72 hours continuously in any event, the consumer shall issue a notice to the DISCOM within 48 hours of availing the standby supply. 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. The DISCOM shall provide the standby supply subject to power availability with the DISCOM and in the Real Time Market (RTM).

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.

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.

Regarding the standby arrangement required by consumers, an LC for three days of open access consumption shall be furnished. Where the standby requirement extends beyond seventy-two (72) hours, the LC amount shall be dynamically enhanced by the consumer to the DISCOM to ensure continued payment security failing which, the standby charges shall be 150% of the 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.

The standby arrangement shall not be applicable when R&C measures are in place.

The standby tariff and other terms and conditions defined in this Regulation shall apply from the date of notification of this Regulation until 31.03.2026. The Commission shall determine the standby charges and their terms and conditions in the RST Orders, from FY 2026-27 onwards."

8. 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.

The Distribution Licensee shall claim the waivers under Section 65 of the Electricity Act, 2003, from the Government of Andhra Pradesh."

9. 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 unutilised 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 unutilised banked energy. In case SECI tariffs are not available for the RE technology, the tariffs decided by the Commission will apply.

The tariffs applicable for unutilized banked energy for projects achieved CoD in FY 2025-26 are as follows:

- *Solar: Rs. 2.25 per unit.*
- *Wind: Rs. 2.98 per unit.*
- *Wind-solar hybrid: Rs. 2.44 per unit.*
- *Mini-hydel: Rs. 2.43 per unit.*

The above tariff shall remain fixed for the period till which the banking arrangement is in place in accordance with their agreements."

10. 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. Such lapsed energy shall be deducted first from the off-peak hours, followed by normal hours, and peak hours.

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 unutilised 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."

11. 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 banked energy shall be settled as specified below.

- *Energy banked during peak hours shall only be drawn/adjusted during peak, normal, and off-peak 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 normal TOD slots, followed by off-peak 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 Open Access users shall apply, along with the duration, and receive from the nodal agency an allocation as per the procedure stipulated by it, within the limits stipulated by SLDC, to avail of the banking facility. However, the generator capacities under the existing OA agreements, prior to the issue of the APERC GEOA Regulation 2024, shall be excluded from the above capacity.

Provided that the peak demand to be considered shall be as per the estimated peak demand projected by the State Load Despatch Centre (SLDC), and in the absence of such projection, the peak demand approved in the Multi-Year Tariff (MYT) Order shall be considered."

12. The following text shall be inserted as sub-clause d) under Clause 22 of the Principal Regulation.

"d) Notwithstanding anything contained in the future Regulations or any amendments issued hereafter to this Regulation, all agreements entered into under the provisions of this Regulation (such as banking and its period, waivers, etc.) shall remain operative and protected for the term stipulated in the respective GEOA agreements/Policy Period, whichever is higher."

(By Order of the Commission)

Sd/- 04/12/2025

Place: Kurnool
Date: 04.12.2025.

P.KRISHNA
Commission Secretary **i/c**

Annexure III

Illustration

1. Introduction:

This illustration explains how a consumer meets its monthly energy requirement from multiple supply sources under Green Energy Open Access. The example is designed to demonstrate the complete flow of energy in a month, vis-à-vis 15-minute block-wise settlement and banking.

2. Assumptions:

- Approved Green Energy Open Access capacity (RE) = 400 MW
- The generator injection in a 15-minute time block corresponds to the GEOA capacity = 100 MWh per block
- Transmission and distribution losses =10%
- The compensation rate for unutilised banked energy = Rs. 2.10 per kWh.

Table 1: Energy mix of the Consumer

Sl.	Source	Consumption in a month (MWh)
1	Open Access (OA) — Exchange /Bilateral	4,000
2	Captive / Third-party (Non-RE)	2,000
3	OA RE energy direct block-wise adjustment (After deduction of losses)	56,700
4	**Total energy recorded in the consumer meter**	**72,700**
5	Consumption from DISCOM without banking adjustment (5 = 4 – 1 – 2 – 3)	10,000

Table 2: Order of priority of sources

Slot No. (15-min)	Total energy recorded in the consumer meter	Open Access — Exchange /Bilateral	Captive / Third-party (Non-RE)	RE (15-min block wise adjustment)	Consumption from DISCOM without banking adjustment
	A	B	C	D	E=A-B-C-D
1 (00:00-00:15)	....	....	....	....	....
11	104	5	9	90	-
....	....	....	....	....	....
23	94	5	9	80	-
....	....	....	....	....	....
37	95	5	9	81	-
....	....	....	....	....	....
48	88	5	11	72	-
....	....	....	....	....	....
50	126	5	11	72	38
....	....	....	....	....	....
52	70	-	10	60	-

Slot No. (15-min)	Total energy recorded in the consumer meter	Open Access — Exchange /Bilateral	Captive / Third-party (Non-RE)	RE (15-min block wise adjustment)	Consumption from DISCOM without banking adjustment
	A	B	C	D	E=A-B-C-D
....	....	....	....	....	....
64	99	-	9	90	-
....	....	....	....	....	....
71	111	-	12	90	9
....	....	....	....	....	....
96 (23:45-00:00)	109	-	9	90	10
Total (Day)	**....**	**....**	**....**	**....**	**....**
....	....	....	....	....	....
Monthly Total	**72,700**	**4,000**	**2,000**	**56,700**	**10,000**

Table 3: Energy settlement and banking (MWh)

Slot No. (15-min)	Generator Schedule	Actual energy injection	Inadvertent energy	Gen. Schedule at Exit point	Gen. Actual at Exit point	RE adjustment (Gen)	Energy recorded in consumer meter after adjusting other sources (G)	Energy Banked			Consumption from DISCOM without banking adjustment	Remarks
								Over injection	Under drawal	Total Banked energy		
	A	B	C	D=A x (1-Loss %)	E=(B-C) x (1-Loss %)	F=Min(D,E)		H=E-F	I=Max(F-G, 0)	J=H+I	K=Max(G-F, 0)	
11	100	100	-	90	90	90	90	-	-	-	-	No banking arises.
23	100	100	-	90	90	90	80	-	10	10	-	Underdrawn energy is banked.
37	100	90	-	90	81	81	81	-	-	-	-	No banking arises.
48	80	100	-	72	90	72	72	18	-	18	-	Over-injection is banked
50	80	100	-	72	90	72	110	18	-	18	38	Over injection above the schedule is banked.
52	80	100	-	72	90	72	60	18	12	30	-	Under-drawal and over-injection are both banked.
64	100	130	30	90	90	90	90	-	-	-	-	Over-injection beyond the approved Open Access capacity is treated as inadvertent energy.
71	100	90	-	90	81	81	99	-	-	-	18	Energy recorded is more than the RE adjustment.
96	100	100	-	90	90	90	100	-	-	-	10	Energy recorded is more than the RE adjustment.
Monthly Total	**....**	**....**	**....**	**....**	**....**	**....**	**66,700**	**....**	**....**	**3,300**	**10,000**	

3. The break-up of the banked energy of 3,300 MWh (derived in Table 3) is:

Table 4: ToD Break-up of banked energy

Sl.	Item	MWh
1.	Peak hours	900
2.	Normal hours	1,100
3.	Off-Peak hours	1,300
4.	**Total banked energy**	**3,300**

4. The ToD break-up of the Consumption from DISCOM without banking adjustment:

Table 5: ToD Break-up consumption from DISCOM

Sl.	Item	MWh
1.	Peak hours	500
2.	Normal hours	8,872
3.	Off-Peak hours	628
4.	**Total banked energy**	**10,000**

5. <u>Explanation for arriving at the Net Drawal for billing by DISCOM:</u>

Step 1 — Banking Cap and lapsed energy

1. Total banked energy = 3,300 MWh
2. Consumption from DISCOM without banking adjustment = 10,000 MWh.
3. Banking cap = 30 % of consumption from DISCOM without banking adjustment = 30% x 10,000 = 3,000 MWh
4. Lapsed energy = Total banked energy – Banking cap = 3,300 – 3,000 = 300 MWh, entitled for RECs for Generator(s)

Step 2 — Deduction of lapsed energy from the total banked energy to limit to the 30% capping

- Lapse sequence applied to slot totals: Off-peak → Normal → Peak.

Table 6: Resulting within-cap banked energy (pre-banking-charge) (MWh)

ToD Slot	Actual banked	Lapse applied	Banked energy after capping
Peak	900	-	900
Normal	1,100	-	1,100
Off-peak	1,300	300	1,000
Total banked energy	**3,300**	**300**	**3,000**

Step 3 — Computation of net Banked energy @ 8% banking charges:

Table 7: Computation for net Banked Energy after deducting banking charges (MWh)

ToD Slot	Banked energy after capping	Banking Charges (8%)	Net Banked Energy
Peak	900	72	828
Normal	1,100	88	1,012
Off-peak	1,000	80	920
Total	**3,000**	**240**	**2,760**

- The ToD-wise net banked energy shown above is to be adjusted from the DISCOM consumption following the sequence of Peak hours → Normal hours → Off-peak hours.

Step 4 — ToD Slot-wise Banked Energy adjustment to arrive at the net consumption from DISCOM

Table 8: ToD Slot-wise Banked Energy Settlement (MWh)

Sl.	Energy banked	ToD slot-wise energy (MWh)				Remarks
		Peak hours (P)	Normal hours (N)	Off-peak hours (O)	Total (P+N+O)	
1	**Net banked energy available after banking charge**	**828.00**	**1,012.00**	**920.00**	**2,760.00**	-
2	**Consumption from DISCOM without banking adjustment**	**500.00**	**8,872.00**	**628.00**	**10,000.00**	Actual energy shortfall of the consumer, to be met from Banked energy or DISCOM energy.
3	**Banked Energy settlement (3= 3.a. + 3.b. + 3.c.)**	**500.00**	**1,340.00**	**628.00**	**2,468.00**	Adjustment follows hierarchy: Peak → Normal → Off-peak.
3.a.	*Peak hours settlement*	*500.00*	*328.00*	-	*828.00*	Out of 828 MWh peak-hour banked energy, settled 500 MWh in Peak hours and balanced 328 MWh to Normal hours.
3.b.	*Normal hours settlement*	-	*1,012.00*	-	*1,012.00*	The 1,012 MWh normal-hours banked energy is fully utilised, and the balance shortfall of 7,532 MWh is deemed to be drawn from DISCOM.
3.c.	*Off-peak hours settlement*	-	-	*628.00*	*628.00*	Off-peak banked energy (920 MWh) is partly utilised (628 MWh), with the balance of 292 MWh remaining unutilised.
4	**Unutilised banked energy**	**-**	**-**	**292.00**	**292.00**	The unutilised 292 MWh energy is to be paid compensation @ Rs.2.10/kWh and shall be adjusted against the consumer bill.
5	**Net Drawal for billing by DISCOM (5=(2-3))**	**-**	**7,532.00**	**-**	**7,532.00**	Billed at the corresponding ToD tariffs as per the RST Order.

6. Summary:

Sl.	Source	Monthly consumption (MWh)
1	**Total energy recorded in the consumer meter**	**72,700**
2	Open Access — Exchange /Bilateral	4,000
3	Captive / Third-party (Non-RE)	2,000
4	OA RE energy direct block-wise adjustment (After deduction of losses)	56,700
5	Banked energy settlement	2,468
6	Banked energy lapsed	300
7	Unutilised banked energy	292
8	Banking charges in kind	240
9	Total Banked energy (9=5+6+7+8)	3,300
10	**Net Drawal for billing by DISCOM (10=1-2-3-4-5)**	**7,532**

Disclaimer: *The values, computations, and principles illustrated above are solely for explanatory and illustrative purposes. In the event of any inconsistency or conflict between these illustrations and the provisions of the applicable Regulations, the wording and intent of the Regulations shall prevail and govern the settlement and interpretation thereof.*

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