

## 03 Oct 2021: PIB Summary & Analysis

### Electricity (Transmission System Planning, Development and Recovery of Inter-State Transmission Charges) Rules 2021

#### Context:

Electricity (Transmission System Planning, Development and Recovery of Inter-State Transmission Charges) Rules 2021 promulgated by Power Ministry.

#### Details:

- The promulgation of the Rules paves the way for overhauling the transmission system planning, towards giving power sector utilities easier access to the electricity transmission network across the country.
  - As per the new rules, while seeking transmission access, power plants will not have to specify their beneficiaries, rather, state power distribution and transmission companies will be able to buy electricity from short term and medium-term contracts and optimise their power purchase expenses.
  - As of now, power generation companies apply for long term access (LTA) with transmission companies, depending on their supply agreements. Depending on the LTA application, additional or incremental transmission capacity is provided to them.
  - With the government's increasing thrust on renewable energy, the need for changing the current transmission system was realised and therefore the new rules were introduced.
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