



31<sup>st</sup> March 2017  
01/REG-AD/DEL/95A

To,  
Ms. Shubha Sarma, IAS  
Secretary  
Central Electricity Regulatory Commission  
3<sup>rd</sup> & 4<sup>th</sup> Floor, Chanderlok Building,  
36 Janpath, New Delhi-110001

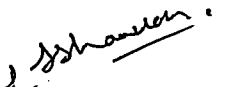
**Subject - Comments on Draft Central Electricity Regulatory Commission (Cross Border Trade of Electricity) Regulations, 2017**

Dear Madam,

This is in continuation to our letter (Ref: 01/REG-AD/DEL/95) dated 16<sup>th</sup> March 2017 vide which we had submitted our comments on the Draft Central Electricity Regulatory Commission (Cross Border Trade of Electricity) Regulations, 2017. In this regard, please find enclosed some more comments which are in addition to the comments shared vide our above mentioned letter dated 16<sup>th</sup> March 2017. We request you to kindly consider the same.

Thanking you,

Yours Sincerely,

  
Puneet Munjal

Chief-Corporate Regulations & Commercial

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**Comments on draft regulation on Cross Border Trade of Electricity issued by CERC on 16<sup>th</sup> Feb 2017**

S.No.	Clause No and Existing Provision	Queries/ Clarification Required	Rationale for clarification/ amendment
1.	<p><b>Clause 4 (2) (a)</b>            Tariff for import of electricity by Indian entities (directly or through trading licensees) from the generating stations located outside India shall be determined under long term/ medium term/ short term agreement, through a process of competitive bidding, which shall be adopted by the Appropriate Commission under Section 63 of the Electricity Act, 2003</p>	<p>It is suggested that clause should be revised as under:            Tariff for import of electricity by Indian entities (directly or through <i>Category-I</i> trading licensees) from the generating stations located outside India shall be determined under long term/ medium term/ short term agreement, through a process of competitive bidding, which shall be adopted by the Appropriate Commission under Section 63 of the Electricity Act, 2003</p>	
2.	<p><b>Clause 19 (2) (a) and (b)</b>            In case PPA is signed for a duration of less than 7 years but more than 1 year with any entity in the target region sought in LTA application, there is no need to apply for MTOA separately.            In case PPA is signed for a duration of less than 1 year – Applicant shall have to seek STOA separately and energy shall be scheduled under short term open access</p>	<p>It is suggested that in case power is being scheduled under MTOA/STOA, then suitable offset in LTOA transmission charges shall be permitted. This would be in line with the prevailing regulations as applicable for Indian entities</p>	



S.No.	Clause No and Existing Provision	Queries/ Clarification Required	Rationale for clarification/ amendment
3.	<p><b>Clause 31</b></p> <p>Commercial settlement, co-ordination, agreements/PPA, metering issues, trading margin and other issues pertaining to Settlement Nodal Agency.</p>	<p>It is suggested that clause should be revised as under:</p> <p>Commercial settlement, co-ordination, agreements/<del>PPA</del>, metering issues, <del>trading margin</del> and other issues pertaining to Settlement Nodal Agency.</p>	<p>Settlement Nodal Agency shall be paid a service charge (as per Clause 31 (3)) of the draft regulation. Hence, reference to trading margin shall be removed</p> <p>Further, cross border generators shall be free to sign PPAs with any trading licensee and not only with Settlement Nodal Agency. Hence, reference to PPA shall also be removed</p>
4.	<p><b>Clause 43 (2)</b></p> <p>If required by the Designated Authority, the developer shall submit the commercial and financial information to the CEA</p>	<p>It is suggested that as Commercial information (related to price of power sale/purchase, trading margin etc.) is sensitive in nature, developers shall be permitted not to share this data.</p> <p>Accordingly, this clause may be deleted or the developer may be permitted to submit PPA wherein commercial/financial information has been removed/blanked</p>	