

पावर ग्रिड कारपोरेशन ऑफ इंडिया लिमिटेड

(भारत सरकार का उद्यम)

POWER GRID CORPORATION OF INDIA LIMITED

(A Government of India Enterprise)



पावरग्रिड

केन्द्रीय कार्यालय: "सौदामिनी" प्लॉट सं. 2, सेक्टर-29, गुडगाँव-122 001, (हरियाणा) दूरभाष: 0124-2571700-719, फ़ैक्स : 0124-2571762,
"Saudamini" Plot No. 2, Sector-29, Gurgaon-122 001, (Haryana) Tel. : 0124-2571700-719, Fax : 0124-2571762, Web.: www.powergridindia.com

CIN : L40101DL1989GOI038121

Ref No: CC/RC/Connectivity/7th Amend

Date: 14/09/2018

The Secretary,
Central Electricity Regulatory Commission,
3rd & 4th Floor, Chandralok Building,
36 Janpath, New Delhi-110001

Sub: Draft CERC (Grant of Connectivity, Long-term Access and Medium-term Open Access in inter-State Transmission and related matters) (Seventh Amendment) Regulations, 2018

- Submission of comments/suggestions thereof.

Dear Sir,

This has reference to public notice ref. L-1/(3)/2009-CERC dated 09th August, 2018 vide which comments/ suggestions were sought on the subject draft amendment Regulation.

In this regard, please find enclosed comments/suggestions of POWERGRID.

Thanking you,

Yours faithfully,

(Manju Gupta)

AGM (Regulatory Cell & MIS-Comml.)

Encl: As above

Comments on Proposed Seventh Amendments in CERC (Grant of Connectivity, Long-term Access and Medium-term Open Access in inter-State Transmission and related matters) (Seventh Amendment) Regulations, 2018

1. The comments in the form of proposed changes and explanation therefore is tabulated below. The changes proposed have been highlighted in bold/strikethrough –

Clause No	Regulation	Proposed amendment	Explanation
2(1)(b)(i)(g)	Any company or entity designated by the Central Government or State Government as Implementing Agency on behalf of the Renewable Power Developers who are eligible for grant of connectivity under Clause 2(1)(b)(i)(aa) and 2(1)(b)(i)(cc) or;	Any company or entity designated by the Central Government or State Government as Implementing Agency on behalf of the for selection of Renewable Power Developers who are eligible for grant of connectivity under Clause 2(1)(b)(i)(aa) and 2(1)(b)(i)(cc) or	Renewable Power Developers may not be known to the Implementing Agency at the time of application.
2(1)(c)	“Bulk consumer” means in respect of connectivity, any consumer who intends to avail supply of a minimum load of 100 MW from the Inter-State Transmission System	“Bulk consumer” means in respect of connectivity, any consumer with or without embedded generation who intends to avail supply of a minimum load of 100 MW from the Inter-State Transmission System	To provide clarity that a bulk consumer may also have embedded generation.
2(1)(k-a)	“Implementing Agency” means a company or entity designated by the Central Government or the State Government for selection of Renewable Power Developer and to act as Intermediary Procurer who shall buy power from these developers and sell the same to one or more distribution licensees in accordance with the Guidelines issued from time to time by the Ministry of Power, Government of India or the Ministry of New and Renewable Energy, Government of India or the State Government;	“Implementing Agency” means a company or entity designated by the Central Government or the State Government for selection of Renewable Power Developer and to act as Intermediary Procurer who shall buy power from these developers and sell the same to one or more distribution licensees or other beneficiaries in accordance with the Guidelines issued from time to time by the Ministry of Power, Government of India or the Ministry of New and Renewable Energy, Government of India or the State	SECI may tie up with other beneficiaries also other than distribution licensees such as bulk consumers in future.

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Clause No	Regulation	Proposed amendment	Explanation
2(1)(u-a)	“Storage” means energy storage system utilizing methods and technologies like, Solid State Batteries, Flow Batteries, Pumped Storage hydro-power, Compressed Air, or any other technology, to store various forms of energy	Government; “Storage” means energy storage system utilizing methods and technologies like, Solid State Batteries, Flow Batteries, Pumped Storage hydro-power, Compressed Air, or any other technology, to store various forms of energy & discharge in the form of electricity.	
8(1) First proviso	Provided that where after filing of an application, there has been any material change in the location of the applicant or change in the quantum of power to be interchanged with the inter-state transmission system, by more than 100 MW in the case of applicant defined under sub-clauses (b)(i)(a) of Clause (1) of Regulation 2 and 100MW or 40% of the installed capacity, whichever is less, in the case of applicant defined under sub-clauses (b)(i)(aa), (b)(i)(b), and (b)(i)(h) of Clause (1) of Regulation 2 and 100MW or 40% of the aggregate installed capacity, whichever is less, in the case of applicant defined under sub-clauses (b)(i)(c) and (b)(i)(cc) of Clause (1) of Regulation 2, such an applicant shall make a fresh application, which shall be considered in accordance with these regulations.	Provided that where after filing of an application, there has been any material change in the location of the applicant or change in the quantum of power to be interchanged with the inter-state transmission system, by more than 100 MW in the case of applicant defined under sub-clauses (b)(i)(a) of Clause (1) of Regulation 2 and 100MW or 40% of the installed capacity, whichever is less, in the case of applicant defined under sub-clauses (b)(i)(aa), (b)(i)(b), (b)(i)(d), (b)(i)(e), (b)(i)(f), (b)(i)(g), and (b)(i)(h) of Clause (1) of Regulation 2 and 100MW or 40% of the aggregate installed capacity, whichever is less, in the case of applicant defined under sub-clauses (b)(i)(c) and (b)(i)(cc) of Clause (1) of Regulation 2, such an applicant shall make a fresh application, which shall be considered in accordance with these regulations.	Applicants referred at 2(1)(b)(i)(d), 2(1)(b)(i)(e), 2(1)(b)(i)(f), 2(1)(b)(i)(g) are not mentioned in clause 8(1).

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Clause No	Regulation	Proposed amendment	Explanation
8(1) second proviso	Provided that an applicant connected with the grid or granted connectivity for a specific project can, with prior approval of CTU, utilize the same Connectivity for additional generation capacity (for same or hybrid of renewable sources), subject to the condition that net injection at any point of time does not exceed the quantum of total Connectivity granted for the existing project. For such additional generation capacity, existing generating station shall undertake all operational and commercial responsibilities for the additional capacity in following the provisions of the Indian Electricity Grid Code and all other regulations of the Commission, such as grid security, scheduling and dispatch, collection and payment/adjustment of Transmission charges, UI charges, congestion and other charges etc., and submit an undertaking in this regard to the CTU, with copy to the respective RLDC in whose control area it is located.	Provided that an applicant connected with the grid or granted connectivity for a specific project can, with prior approval of CTU, utilize the same Connectivity for additional generation capacity (for same or hybrid of renewable sources), subject to the condition that net injection at any point of time does shall not exceed the quantum of total Connectivity granted for the existing project. For such additional generation capacity, existing generating station shall undertake all operational and commercial responsibilities for the additional capacity in following for compliance of the provisions of the Indian Electricity Grid Code and all other regulations of the Commission, such as grid security, scheduling and dispatch, collection and payment/ adjustment of Transmission charges, UI charges, congestion and other charges etc., and submit an undertaking in the prescribed format in this regard to the CTU, with copy to the respective RLDC in whose control area it is located.	It may also be clarified whether the “additional generation capacity” refers to applicant’s own or third party generation.
8(2)(2A)	Applications for grant of Connectivity made by applicants covered under sub-clauses (aa), (cc), (f), (g) and (h) of Clause (1)(b)(i) of Regulation 2 shall be	An application for grant of Connectivity by an applicant under sub-clause (aa), (cc), (f) or (h) of Clause (1)(b)(i) of Regulation 2 shall be made in two stages:	As connectivity for applicant under Clause 2(1)b(i)(e) is to be granted at the existing connection point, require-ment

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	<p>processed in two stages: (a) Stage-I Connectivity (b) Stage-II Connectivity</p>	<p>(a) Stage-I Connectivity (b) Stage-II Connectivity Provided that an application by an applicant under sub-clause (e) & sub-clause (g) of Clause (1)(b)(i) of Regulation 2 shall be made in Stage- I connectivity format and shall be granted as Stage -II Connectivity. Applicant shall be liable for fulfillment of all the commercial/ legal obligations of Stage-I and Stage-II connectivity (such as submission of application fees, signing of Connectivity Agreement & submission of bank guarantee) as per this regulation.</p>	<p>of separate stage-II connectivity may not be there. Further, in case of Clause 2(1)b(i)(g) stage-II connectivity is not required as per Clause 12(1)(A). Accordingly, connectivity is to be granted as Stage-II Connectivity with firm location to facilitate application for LTA. However, Connectivity BG and Connectivity agreement shall be required under stage-II connectivity for both the above cases.</p>
8(2C)	<p>In case of applicants covered under sub-clause (b)(i)(g) of clause (1) of Regulation 2, the connectivity granted to such applicants may be transferred or assigned, in part or full, in favour of the Renewable Power Developers selected by the said applicants after award of the project. On transfer or assignment of connectivity, such developers shall enter into Connectivity Agreement with CTU and accept all responsibilities and liabilities for connectivity as required under these Regulations and Detailed Procedure.</p>	<p>In case of an applicant covered under sub-clause (b)(i)(g) of clause (1) of Regulation 2, the connectivity granted to such an applicant may be transferred or assigned, in part or full, in favour of the Renewable Power Developers selected by the said Applicant after award of the project. On transfer or assignment of connectivity, such developers shall enter into Connectivity Agreement with CTU and accept all responsibilities and liabilities for connectivity as required under these Regulations and Detailed Procedure.</p> <p>Provided that upto such transfer or</p>	

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		<p>assignment, such Applicant shall be liable for all regulatory, operational and commercial obligations of a connectivity grantee.</p> <p>Provided further that upon transfer or assignment, the transferee Renewable Power Developer shall be liable for all regulatory and commercial obligations of a connectivity grantee for the quantum of connectivity so transferred or assigned.</p>	
8(5)	<p>The applicant or inter-State Transmission Licensee, as the case may be, shall sign a connection agreement with the Central Transmission Utility or inter-State Transmission licensee owning the sub-station or pooling station or switchyard or the transmission line as identified by the nodal agency where connectivity is being granted:</p> <p>Provided that in case connectivity of a generating station, including captive generating plant or bulk consumer is granted to the inter-State transmission system of an inter-State Transmission Licensee other than the Central Transmission Utility, a tripartite agreement as provided in the Central Electricity Authority (Technical</p>	<p>The applicant or inter-State Transmission Licensee, shall sign a multipartite connection agreement as the case may be with the Central Transmission Utility or and owners of the generating stations, substations, transmission elements getting interconnected:</p> <p>Provided that in case connectivity of a generating station, including captive generating plant or bulk consumer is granted to the inter-State transmission system of an inter-State Transmission Licensee other than the Central Transmission Utility, a tripartite agreement as provided in the Central Electricity Authority (Technical Standards for Connectivity to the Grid) Regulations, 2007 shall be signed between the applicant, the Central</p>	To cover cases where an ISTS licensee under TBCB has built bays in the switchyard of a generating station.

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	<p>Standards for Connectivity to the Grid) Regulations, 2007 shall be signed between the applicant, the Central Transmission Utility and such inter-State Transmission Licensee.</p>	<p>Transmission Utility and such inter-State Transmission Licensee.</p> <p>Provided in case connectivity is granted to Implementing Agency for renewable power developers, connection agreement will be signed by the corresponding renewable power developers to whom the connectivity has been transferred.</p> <p>Provided such connectivity agreement shall be in consonance with Central Electricity Authority (Technical Standards for Connectivity to the Grid) Regulations, 2007 and amendments thereof.</p>	
8A	<p>A person shall not transfer, assign or pledge its connectivity or LTA and the associated rights and obligations to any other person.</p> <p>Provided that the above provision shall not be applicable to applicants defined under Regulation 2(1)(b)(i)(g).</p> <p>Provided further that 100% subsidiary companies shall be allowed to utilize the connectivity granted to the parent company and vice versa.</p>	<p>A person shall not transfer, assign or pledge its connectivity or LTA, in full or in part, and the associated rights and obligations to any other person.</p> <p>Provided that the above provision shall not be applicable to applicants defined under Regulation 2(1)(b)(i)(g). Provided further that in case of applicants under sub-clause (aa), (cc), (e) or (h) of Regulation 2(1)(b)(i), 100% subsidiary companies shall be allowed to utilize the connectivity granted to the parent company and vice versa.</p>	

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2. Further, the Commission had recently notified the “Detailed Procedure for Grant of Connectivity to Projects based on Renewable Sources to Inter-State Transmission System” [hereinafter ‘RE Connectivity Procedure’] on 15.03.2018. The said RE Connectivity Procedure inter alia introduced certain provisions/procedures (such as different timelines for application processing, refund of part application fee, BG for connectivity, enhancement of connectivity quantum, sharing of dedicated connectivity infrastructure etc.) which are not explicitly spelt out in the extant CERC Connectivity Regulations, 2009 or amendments thereof. Accordingly, it is suggested that appropriate insertions may be explicitly made in the 7th amendment of CERC Connectivity Regulations, 2009 enabling such provisions.
3. Also, CTU had referred a letter to the Commission seeking appropriate amendments in the RE Connectivity Procedure to provide option for implementation of terminal bays for connectivity line at ISTS sub-station to RE generators/developers in light of the lower gestation periods of RE generation and relatively longer period of implementation of bays under ISTS to avoid mismatch of generation projects and terminal bays. Currently, such a provision is there only for ‘wind power generators/developers’ who have emerged successful in the bidding before coming into force of the RE Connectivity Procedure under Para 5.3.2. Accordingly, it is requested that an enabling provision may be inserted into the CERC Connectivity Regulations, 2009 in this regard.