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Subject: Submission of Comments on Draft CERC (Sharing of Transmission Charges and Losses) Regulations,2019

Dear Ma'am/Sir,

We are in receipt of Draft CERC (Sharing of Transmission Charges and Losses) Regulations, 2019.

Our comments/suggestions are enclosed as an attachment to mail and also uploaded the same on the SAUDAMINI portal.

Best Regards,

Neha Deswal

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Dear Ma'am/Sir,

Subject: Statkraft's Comments on Draft CERC (Sharing of Inter-State Transmission Charges and Losses) Regulations, 2019

At the outset, we appreciate the draft regulations proposed by the Hon'ble Commission on sharing of inter-state transmission charges and losses. However, in the absence of any Explanatory Memorandum, many provisions of the Regulations are ambiguous causing confusion across the stakeholders. Hence, we suggest that the Commission may issue Explanatory Memo to the Draft Regulations for further clarity.

Clause 5.4 and 2.8.1.a (Annexure 1) of the existing regulations clearly mentions applicability of transmission charges/losses and transmission deviation charges to be paid by the embedded entities under Short term Open access Transactions While similar provisions are missing in the proposed draft regulations. Therefore, we request the Hon'ble Commission to provide clarity regarding the same in the Final Regulations.

Point wise detailed comments are provided below:

S.No	Existing Clause	Statkraft's Comments
1	13. Billing (3) No transmission Charges shall be levied for Inter-State transmission system in respect of Short-Term Open Access (STOA) transactions.	<p>The draft regulation proposes to exempt applicability of Short-term Open Access (STOA) Transmission charges on ISTS network. However, the Commission has not provided any directive or methodology of levying Transmission charges on the embedded customers availing STOA involving ISTS network.</p> <p>In the best interest of the consumers and to avoid any ambiguity going ahead, we suggest that the Hon'ble Commission to include the methodology for computing STOA charges for embedded customers, in the Final Regulations. In the best interest of all the stakeholders, identical methodology may be adopted by each</p>

S.No	Existing Clause	Statkraft's Comments
		SERC for avoiding any regulatory hurdle going ahead.
2	Chapter 4 Accounting, Billing and Collection of Transmission charges	Like the earlier Regulations, it is hereby suggested that the Hon'ble Commission may clearly indicate levying of Transmission charges on STOA transactions on Rs. /MWh basis itself in the Final Regulations.
3	Chapter 3 11. Transmission charges in Specific Cases:	The Draft Regulations includes provisions for exempting renewable energy projects based on wind and solar energy from ISTS charges and losses. However, to provide a level playing field it is suggested that all the RE generators selling power under the competitive bidding regime including hydro and other renewables must also be exempted from such charges and losses. As exempting one form of renewable over other relegates development of other RE sources, especially hydro projects which also aids in grid management for peak and off-peak supply.
4	Annexure-1 (E) COMPUTATION: DETERMINATION OF SHARING OF TRANSMISSION CHARGES 5.20. For generating stations having no Long- term access or medium-term access, the transmission charges attributable to such generators shall be calculated as injection charges (as for generators with LTA to target region with untied capacity) under AC-UBC Component. The charges of other DICs on whom AC-UBC charges have been computed shall be scaled up to the extent of charges attributable to such generators.	<p>We seek clarity regarding the computation of transmission charges on Independent Power Producers (IPPs) connected to the CTU network, selling power under Short-term say in a collective transaction or a Short-term Time of Day contract.</p> <p>The determination of transmission charges and losses proposed takes the peak block of the month while computing Transmission charges. While it should be noted that the contracted capacity (MW) and supply duration under STOA may not be same throughout the month and may vary even during the day. Hence, the Commission is hereby requested to clarify and re-look the methodology for such contracts.</p> <p>Additionally, part two of the clause i.e. <i>"The charges of other DICs on whom AC-UBC charges have been computed shall be scaled up to the extent of charges</i></p>



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S.No	Existing Clause	Statkraft's Comments
		<i>attributable to such generators.</i> " leaves a lot of room for interpretation, Hence must be clarified in the final Regulations.