



Date: 07th March, 2017
Ref.: APL/CERC/07032017

The Secretary
Central Electricity Regulatory Commission
New Delhi - 110001

Sub: Suggestions on the Draft Central Electricity Regulatory Commission (Cross Border Trade of Electricity) Regulations 2017 issued on 16th February 2017.

Dear Sir,

The Ministry of Power, Government of India, recognizing the importance of electricity in promoting economic growth and improving the quality of life and the SAARC Framework Agreement for Energy Cooperation (electricity) dated 27/11/2014 notified the "Guidelines on Cross Border Trade of Electricity" on 5th December 2016 to provide a regulatory framework and accelerate the development of the cross-border trade of electricity. Subsequently, the CERC issued the draft Central Electricity Regulatory Commission (Cross Border Trade of Electricity) Regulations 2017 on 16th February 2017.

The guidelines provide for bilateral trade of electricity through two options:

- (1) Open access through power grid
- (2) Indian generating stations supplying power exclusively to a neighboring country through an independent transmission system.

The draft regulations issued, clarify in detail the procedures for cross border trade by way of obtaining open access. However, more clarity is required in case of Indian generating stations supplying power exclusively to a neighboring country through an independent transmission system.

In view of the above, we hereby submit our comments on the draft regulation at Annexure - I, for your kind consideration.

Thanking you and assuring best of our services at all times.

For: Adani Power Ltd.

Authorized Signatory

Encl: as above

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Annexure – I

Adani Power Comments on Draft CERC (Cross Border Trade of Electricity) Regulations, 2017

Sr. No	Clause No. and existing provision	Suggested text for the amendment	Rationale for the Amendment
1	<p>Clause 2.(1)(i)</p> <p>(i) 'Buying Entity' means the entity which has been granted cross border transmission access and is purchasing electricity through a transaction involving India and a neighboring country and scheduled in accordance with these regulations under short-term open access, medium-term open access or long-term access.</p>	<p>'Buying Entity' means the entity which has been granted <u>Cross Border Transmission Access</u> and is purchasing electricity through a transaction involving India and a neighboring country and scheduled in accordance with these regulations under short-term open access, medium-term open access or long-term access.</p>	<p>Cross Border Transmission Access has been defined under the regulations.</p>
2	<p>Clause 2.(1)(v)</p> <p>'Cross Border Transmission Link' means the transmission link from the generating station or the pooling station of a neighboring country to the interconnection point on the Indian Grid, as may be specified by the CTU based on the application for cross border transmission access.</p>	<p>'Cross Border Transmission Link' means the transmission link from the generating station or the pooling station of a neighboring country to the interconnection point on the Indian Grid, as may be specified by the CTU based on the application for cross border transmission access. <u>Further an independent transmission system contemplated under Regulation [9] shall be deemed to be a Cross Border Transmission Link for the limited purpose of Regulations [20(1), 27(3), 35(1) and 36(1)]</u></p>	<p>The existing definition does not provide for the case of an independent transmission system as allowed for under Regulation 9.</p>

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3	Clause 2.(1)(uu) 'Participating Entity' means the entities approved by Designated Authority under Guidelines on Cross Border Trade of Electricity issued by Ministry of Power, Government of India	'Participating Entity' means a buying entity, a selling entity or, an Indian entity selling power to a neighbouring country through an independent transmission system not connected to the Indian Grid.	The existing definition does not provide for the case of an independent transmission system as allowed for under Regulation 9.
4	Clause 2.(1)(bbb) 'Selling Entity' means the entity which has been granted cross border transmission access and is selling electricity through a transaction in the course of cross border trade of electricity and scheduled in accordance with the regulations applicable for short-term open access, medium-term open access or long-term access.	'Selling Entity' means the entity which has been granted <u>Cross Border Transmission Access</u> and is selling electricity through a transaction in the course of cross border trade of electricity and scheduled in accordance with the regulations applicable for short-term open access, medium-term open access or long-term access.	Cross Border Transmission Access has been defined under the regulations.
5	Clause 3(1) These regulations shall be applicable to all the participating entities in India and its neighbouring countries which are engaged in cross border trade of electricity.	These regulations shall be applicable to all the <u>Participating Entities</u> in India and its neighbouring countries which are engaged in cross border trade of electricity. <u>Provided that unless expressly stated otherwise, nothing contained in these regulations shall apply or deemed to apply to a Participating Entity incorporated or established in India and selling power exclusively to a neighbouring country through an independent transmission system.</u>	An Indian generating station supplying electricity exclusively to neighbouring countries through an independent transmission system will not require to apply for open access, connectivity to Indian grid etc. and hence should be excluded from the scope of these regulations.
6	Clause 5(2)	Provided that in case of any ambiguity or conflict between the laws, rules and regulations	

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	<p>Provided that in case of any ambiguity or conflict between the laws, rules and regulations of the neighboring countries and that of India, the Indian laws, rules and regulations will take precedence for the purpose of cross border trade of electricity with India.</p>	<p>of the neighboring countries and that of India, the Indian laws, rules and regulations will take precedence for the purpose of cross border trade of electricity through <u>Cross Border Transmission Link</u> with India.</p>	
7	<p>Clause 7(2) Any other participating entity shall be eligible to participate in cross border trade of electricity after obtaining approval of the Designated Authority on case to case basis.</p>	<p><u>Except as provided in sub-regulation (4) any other Participating Entity</u> shall be eligible to participate in cross border trade of electricity after obtaining approval of the Designated Authority on case to case basis.</p>	<p>Participating Entity has been defined under the regulations.</p>
8	<p>Clause 7(4) (4) Any coal based thermal power projects in India other than those owned and operated by Public Sector Undertakings shall be eligible for export of electricity to any of the neighboring countries only if surplus capacity is certified by the Designated Authority</p>	<p>Any Indian power projects (whether conventional or non-conventional) other than those owned and operated by Public Sector Undertakings shall be eligible for export of electricity to any of the neighboring countries only if surplus capacity is certified by the Designated Authority. Provided that an Indian generating station established for supply of electricity exclusively to a neighbouring country shall not require such certificate of surplus capacity by the Designated Authority.</p>	<p>A certificate of surplus capacity should not be required in case of an Indian generating station supplying electricity exclusively to a neighboring country.</p>
9	<p>Clause 9(4) Generating Stations located in India and supplying electricity exclusively to neighboring countries may be allowed to</p>	<p><u>Generating Stations located in India and supplying electricity exclusively to neighboring countries may be allowed to build independent transmission systems for connecting to the</u></p>	

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	<p>build independent transmission systems for connecting to the neighboring country's transmission systems keeping the technical and strategic considerations in view and with the approval of the Government of India at the cost inbuilt in the agreement signed between Indian entity and the entity of the neighboring country. Such approval will be under applicable section(s) of the Electricity Act, 2003, subject to complying with the technical and safety standards notified under various section of the Electricity Act, 2003.</p>	<p><u>neighboring country's transmission systems keeping the technical and strategic considerations in view and with the approval of the Government of India at the cost inbuilt in the agreement signed between Indian entity and the entity of the neighboring country. Such approval will be under applicable section(s) of the Electricity Act, 2003, subject to complying with the technical and safety standards notified under various section of the Electricity Act, 2003. Other than the aforesaid approvals for building the independent transmission system, an Indian generating station may freely export electricity to a neighbouring country through such independent transmission system notwithstanding anything to the contrary contained in these regulations.</u></p>	
10	<p>Clause 10 (2) (2) Applications for grant of connectivity and/or long-term access or medium-term open access shall be made to CTU as per CERC (Grant of Connectivity, Long Term & Medium Term Access) Regulations, 2009 as amended from time to time.</p>	<p>Applications for grant of connectivity and/or long-term access or medium-term open access shall be made to CTU as per CERC (Grant of Connectivity, Long Term & Medium Term Access) Regulations, 2009 as amended from time to time. <u>Provided that an application for connectivity is not required to be made by any Indian generating station supplying electricity exclusively to a neighbouring country through</u></p>	<p>Indian generating stations supplying electricity exclusively to neighbouring countries through an independent transmission system should not be required to apply for connectivity</p>

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		<u>an independent transmission system.</u>	
11	<p>Clause 18(3)</p> <p>The CBTA Customer shall submit certificate regarding Commercial Operation declaration of the generating station or transmission system as required under Grid Code.</p> <p>Provided that such certificate shall be submitted for Cross border transmission link including for the dedicated transmission line, wherever applicable.</p>	<p>The CBTA Customer shall submit certificate regarding Commercial Operation declaration of the generating station or transmission system as required under Grid Code.</p> <p>Provided that such certificate shall be submitted for <u>Cross Border Transmission Link</u> including for the dedicated transmission line, wherever applicable.</p>	<p>Cross Border Transmission Link has been defined under the regulations.</p>
12	<p>Clause 20(1)</p> <p>Special Energy Meters (Main Meter, Check Meter and Standby Meter) shall be installed at both the ends of the cross border transmission link as per Central Electricity Authority (Installation and Operation of Meters) Regulations, 2006 and amendments thereof.</p>	<p>Special Energy Meters (Main Meter, Check Meter and Standby Meter) shall be installed at both the ends of the <u>Cross Border Transmission Link</u> as per Central Electricity Authority (Installation and Operation of Meters) Regulations, 2006 and amendments thereof.</p>	<p>Cross Border Transmission Link has been defined under the regulations.</p>
13	<p>Clause 21</p> <p>Reliable and efficient voice and data communication systems shall be provided to facilitate necessary communication and data exchange, and supervision/control of the grid by the NLDC/ RLDC, under normal and abnormal conditions. Such Communication must be established from generating station</p>	<p>Reliable and efficient voice and data communication systems shall be provided to facilitate necessary communication and data exchange, and supervision/control of the grid by the NLDC/ RLDC, under normal and abnormal conditions. Such Communication must be established from generating station to control room of System Operator of a</p>	<p>Cross Border Transmission Link has been defined under the regulations.</p>

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	<p>to control room of System Operator of a neighbouring country and from there to control room of System Operator of India.</p> <p>The cross border transmission link shall necessarily be established along with adequate data and communication facilities.</p>	<p>neighbouring country and from there to control room of System Operator of India.</p> <p>The <u>Cross Border Transmission Link</u> shall necessarily be established along with adequate data and communication facilities.</p>	
14	<p>Clause 36(1)</p> <p>Events like tripping of elements impacting the electricity flow across the cross border transmission links, complete / partial blackout etc. would be reported by the concerned System Operator of India to the system operator of a neighboring country and vice versa.</p>	<p>Events like tripping of elements impacting the electricity flow across the <u>Cross Border Transmission Links</u>, complete / partial blackout etc. would be reported by the concerned System Operator of India to the system operator of a neighboring country and vice versa.</p>	<p>Cross Border Transmission Link has been defined under the regulations.</p>
15	<p>Clause 39(3)</p> <p>(3) Any selling entity/buying entity in India proposing to sell or buy electricity from or to the neighbouring country shall make payments to the Settlement Nodal Agency in fees & charges of System Operation in India.</p>	<p>Any selling entity/buying entity in India proposing to sell or buy electricity from or to the neighbouring country shall make payments to the Settlement Nodal Agency in fees & charges of System Operation in India. <u>Provided that such charges shall not apply to any sale of electricity from India to a neighbouring country through an exclusive and dedicated transmission system connected to the grid of that neighbouring country.</u></p>	<p>Electricity from Indian generating stations supplying exclusively to neighbouring countries through an independent transmission system would not be scheduled by NLDC etc. and hence should not be liable to pay charges.</p>