



Comments on Draft CERC (Transmission Planning and other Matters) Regulations, 2017

Sr. No.	Regulation no./ Heading	Existing Text of Regulation	Proposed Text of Regulation	Rationale
1.	19. Broad Principles of Transmission Planning	19.1.(k) Any other criteria considered necessary by CEA for efficient planning of the ISTS	<p>CERC had issued a statutory advice to MOP dated 14th Oct 2016 on the subject of advice to facilitate development of transmission capacity in an efficient and economical manner under TBCB route. Rationale for including upstream & downstream projects of the ISTS have been made amply clear i.e coordination problems of simultaneous commissioning would be obviated.</p> <p>While on the subject Electricity Act, 2003, under Section 2, Definitions, 36 (ii) states as follows “inter-State transmission system includes (ii) the conveyance of electricity across the territory of an intervening State as well as conveyance within the State which is incidental to</p>	In the past a whole associated system has been broken into parts and awarded resulting into upstream and downstream network being awarded to different developers. The same has led to co-ordination issues as many times it has happened that the project is ready for commissioning, however the same cannot achieve commissioning on account of lack of downstream network/upstream network being available

			<p>such inter-State transmission of electricity;”</p> <p>The provision of the Electricity Act needs to be implemented while finalizing the scope of ISTS projects. Voltage class of Transmission projects with in the state would be as per the license conditions of STU as per the state.</p>	
2.	3. Definitions	<p>3.2 Central Study Committee: A standing Committee constituted by CEA comprising members from CEA in the lead role, CTU, Member Secretary of State Power Committees, NLDC, RPC’s as its members and shall be responsible for compiling data and studies received from Regional Study committees and conduct studies at National level for discussion in Standing Committee. Till such a time a State Power Committee is formed, STU’s shall be a member of the Committee.</p>	<p>3.2 Central Study Committee: A standing Committee constituted by CEA comprising members from CEA in the lead role, CTU, Member Secretary of State Power Committees, NLDC, RPC’s, Transmission Licensees as its members and shall be responsible for compiling data and studies received from Regional Study committees and conduct studies at National level for discussion in Standing Committee. Till such a time a State Power Committee is formed, STU’s shall be a member of the Committee.</p>	<p>The Preamble of the Regulation mentions the need of Planning process to be carried out in consultation with concerned Agencies and stakeholders in a transparent manner. Similarly, Regulation 4.1.(d) also enlists that the objective of the Regulation is to provide for transparency in the Planning Process</p> <p>One of the major stakeholders in the regime enunciated under the EA, 2003 are the Transmission Licensees. In the interest of strengthening and facilitating all functions of planning relating to inter-state/ intra-state transmission system, transmission licensees should also be allowed to contribute in the Transmission Planning.</p> <p>In this regards, it will be pertinent to include representatives from the Transmission Licensees in the Central & Regional Study Committees. Including them in various Committees/ Sub Committees will achieve twin objective of transmission planning process to be consultative and transparent.</p>

				Further in order to right size the Committee, the provision to include only Transmission Licensee having developed 2500 circuit kilometer and more of 400kV and above transmission lines in India may be included.
3.	3. Definitions	3.4 Regional Study Committee: A standing Committee constituted under RPC comprising of members from CEA, STU's in the region, RLDC, SLDCs, DISCOMs in the region, RPC, as its members and CTU as coordinator. One of the STUs on rotational basis shall take the lead role among STUs and represent in the Central Study Committee and shall be responsible for collecting data (as defined in Detailed Procedure) and conducting studies at regional level for recommendation to Central study Committee	3.4 Regional Study Committee: A standing Committee constituted under RPC comprising members from CEA, STU's in the region, RLDC, SLDCs, DISCOMs in the region, RPC, Transmission Licensees as its members and CTU as coordinator. One of the STUs on rotational basis shall take the lead role among STUs and represent in the Central Study Committee and shall be responsible for collecting data (as defined in Detailed Procedure) and conducting studies at regional level for recommendation to Central study Committee	As mentioned above.
4.	12. Role of Generators	12(1) Generating station connected/ likely to be connected to ISTS or intra-state transmission system at 132 kV and above shall be responsible for providing technical data as per the format specified by Central and Regional Study Committees. At the Planning Stage, the Generators seeking connectivity shall submit the requisite details including injection LTA/ GNA granted by CTU for consideration in simulation studies	12(1) Generating station connected/ likely to be connected to ISTS or intra-state transmission system at 132 kV and above shall be responsible for providing technical data as per the format specified by Central and Regional Study Committees. At the Planning Stage, the Generators seeking connectivity shall submit the requisite details including injection LTA/ GNA granted by CTU for consideration in simulation studies	<p>Significant amount of Renewable Generation is planned in India. National Solar Mission envisages 100 GW solar capacity by FY 2022. Not all Generating stations may be connected at voltage level of 132 KV and above.</p> <p>Generating station irrespective of connectivity to ISTS/ InSTS at any voltage level will affect Transmission Planning.</p> <p>Further by making it mandatory to share technical data for all generators, sanity check of data available with CEA in the form of Central Repository of Generators can be done</p>

				by comparing it with the data available with Central and Regional Study Committees.
5.	14. Role of the Standing Committee for Power System Planning (SCPSP)	The SCPSP constituted by CEA firms up and reviews the transmission plans based on the proposals received from CTU, STUs, constraints in the system and growth in the Power System	The SCPSP constituted by CEA firms up and reviews the transmission plans based on the proposals received from CTU, STUs Central Study Committee, Regional Study Committee, State Study Committee , constraints in the system and growth in the Power System	Since transmission planning is to be carried out in a co-ordinated manner taking into consideration the inputs of all stakeholders and planning agencies. As per CTU & STU functions in the proposed regulation, CTU/STU carry out studies, provide information to Central/State Study Committees. These committees validate the data and recommend the decision to CEA. It is proposed that Central Study Committee/ Regional Study Committee and State study committee be entrusted the role of recommending transmission proposals to SCPSP.
6.	17. Central Repository of Generators	(a) Central Repository of Generators shall be created in CEA where generation project developer proposing to set up a new generation plant must register itself.	(a) Central Repository of Generators shall be created in CEA where generation project developer proposing to set up a new generation plant must register itself. All Developers who have operational generation plants and generation plans under various stages of construction also must register themselves in the Central Repository of Generators	Existing generation stations will also affect future transmission planning based on whether the existing planned network meets the adequacy, reliability criteria etc. or not.
7.	18 Transparency in the planning process		18.1.(f) Data related to Central Repository of Generators and GNA shall be put up on the website of CEA and shall be accessible to all.	Regulation to be inserted in interest of transparency.

8.	8.2 (d)	To furnish drawal GNA to CTU from time to time.	This para and various other paras refer to the GNA, which is not the planning base currently.	More clarity required on what parameters shall be considered in absence of GNA based planning.
9.	18.1(d)	18.1 For the sake of transparency following is required to be ensured by the CEA, CTU & STU while carrying out planning of transmission system in the Country: (d) The stakeholders themselves or through an independent third party can replicate the results of transmission planning studies and discrepancies/ comments can be furnished to Central Study Committee, Regional Study Committee or CTU or STU.	18.1 For the sake of transparency following is required to be ensured by the CEA, CTU & STU while carrying out planning of transmission system in the Country: (d) The stakeholders themselves or through an independent third party can replicate the results of transmission planning studies and discrepancies/ comments can be furnished to Central Study Committee, Regional Study Committee or CTU or STU. Stakeholders (including Independent Power Transmission Companies, Generators, Bulk Consumers, Discoms, CTU, STUs) shall be allowed to propose new planning data based on system studies to the Study Committees. The appropriate Study Committee shall have a response mechanism to comment on the acceptability of the discrepancies/ comments received and/ or acceptability of the study report recommendations.	Since the key stakeholders who are part of the transmission system implementation process include the CTU, STUs, Independent Power Transmission Companies, Generators, Bulk Consumers, Discoms, the study that these entities may undertake independently on transmission planning needs to be assessed by the appropriate Study Committee with a time-bound response mechanism clearly outlining the rationale for accepting/ rejecting the outcomes of the independent third party system study
10.	22 Classification of Transmission Plans	Classification of Transmission Plans	Classification of Plans- Energy storage and planning for dynamic and static compensation and other grid stability equipment shall be part of the Reliability Upgrades planning so that the	Grid stability is going to be major concern going forward. Energy Storage and Grid Stability investment can be resourced based on competitive bidding on concession basis like transmission assets. This shall spare the precious public resource for diversion to power

			same may come up for competitive bidding.	system improvement at sub-transmission and distribution level.
11.	24.2 Regulatory approval of transmission System:	Based on the above, the ISTS should be undertaken for implementation either through TBCB or Cost-Plus route as decided by the Empowered Committee.	This para puts it on the Empowered committee to decide the TBCB or Cost Plus routing for implementation of Project. This is contrary to the Tariff Policy which specifically requires the projects to be routed through TBCB except for the specific exemptions.	With the Revised Tariff Policy clearly mandating all new transmission projects to be awarded on competitive bidding process, the role of the Empowered Committee is not clear. In case of the specific exclusions that have been alluded to in the Tariff Policy, Ministry of Power through appropriate Gazette Notification may notify such specific projects/cases which may then be referred to the CERC for tariff approval under section 62 of EA 2003
12.	26.1 Information Exchange timeline:	The timeline for exchange of information and other activities involved in the transmission planning shall be on yearly basis.	Regulatory Approval of Transmission Planning – although regulatory approval of transmission planning is a positive development in the transmission planning process, the time that the Commission takes to dispose of petitions should not be more than one month. Further, once the Commission has disposed of the cost plus petition of CTU, there is no requirement of the Empowered Committee’s final decision on implementation either under TBCB or cost-plus route as there is a clear mandate from the Revised Tariff Policy of implementation of all new transmission projects under TBCB route	CERC draws its power for intervention on planning under section 79 (1)(h) of EA 2003 which entrusts CERC "to specify Grid Code having regard to Grid Standards". Based on this CERC issues Indian Electricity Grid Code and amendments thereon time to time. Part 3 of the Grid Code covers the "The Planning Code for Inter State Transmission". The planning code is about planning philosophy and Planning Criterion in Interstate Transmission. By this regulation under discussion, CERC proposes to do away with this Part 3 of Grid Code and cover planning part by this independent regulation. By bringing in regulatory oversight in the transmission planning process will ensure in a time-bound manner of planning the system. However, it will therefore be important to do away with redundancy in the current process in the form of the role of the Empowered Committee once CERC is entrusted with the

				responsibility of giving its final consent on cost plus petitions.
13.			Inclusion of Transmission Licensees operating in the region as a member in the Regional Power Committees.	<p>While Power generation companies, distribution companies and electricity traders are the member of Regional Power Committee, Transmission Licensees operating in the region are not involved in the functioning of RPCs, presently.</p> <p>In 2005, when RPCs were constituted, there were no private players in the transmission industry. However, situation has considerably changed today with many private players contributing significantly in transmission industry. This inclusion is also important from the point of view of alignment of technical parameters for the entire system and timelines for the system developed by private developers</p>

Additional Points

- CERC is requested to take up the following matter by issuing Statutory Advice under section 79 (2) of EA, 2003 to Central Government
 - To ensure All Transmission Projects irrespective of being part of ISTS/ InSTS network are awarded through TBCB route in interest of transparency and competition. The same can be done by modifying National Tariff Policy 2016
- In view of increased penetration of renewable energy generation, there is an all-pervasive opinion that Electricity Storage System (ESS)/ Electricity Storage Facility will be required. Assets for Electricity Storage and the Content – Energy may be treated separately. The ownership of assets like ESS may lie with the transmission entity. Cost of such assets may be recovered through fixed service charge based on availability. In line with the said view planning and development of ESS/ Electricity Storage Facility should be taken care along with the Transmission Planning i.e. present regulations.