



M.P. POWER MANAGEMENT COMPANY LIMITED

CIN: U40109MP2006SGC018637

(A Government of M.P. Undertaking)

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Ref No D (Comm)/ Comments 107

Date 17/08/2017

To,

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

Sub: Draft Central Electricity Regulatory Commission (transmission planning and other related matters) Regulation 2017 – comments of MP Power Management Company Limited.

Dear Sir,

Over the period, with development of energy sector, it appears that there has been disproportionate growth in transmission system. Though there has not been much growth in demand in this sector, the investment in transmission sector has continued unabated both through TBCB and Cost plus route. The result of such expansion is that the transmission charges, to be borne by DISCOMs have increased from 20-25 paise per unit to 40-50 paise per unit. Therefore it is necessary that the philosophy of planning of transmission system is revisited and financial implication of new additions in transmission system is duly addressed. The draft regulation on transmission planning has been put up for comments of stake holders. Our comments on few of the sections of the draft Regulation are enclosed herewith.

Further, we would also request Hon'ble CERC to consider convening a meeting for all the DISCOMs to provide a platform to share their concern.

Thanking you.

Yours sincerely,

(A K Verma)

Director (Commercial)

MP Power Management Company Limited

Encl: As above.

Shw R.K Gupta
AGM
19.8.17
CERC

Dr. Saxena
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Enclosure

The scope of Regulation (Sec 2):

The scope of the Regulation should, apart from addressing planning and development of transmission system should also include utilization of existing transmission assets and periodic review of implementation and its necessity.

The objective of Regulation (Sec 4):

The objective of the Regulation should also include transparency in development of transmission system both in terms of utilization of existing assets and development of an alternative which is most techno-economical.

The role of Central Study Committee (Sec 15):

The Central Study Committee should not keep their study limited to technical aspect of the transmission system but should also consider the benefit vis a vis financial impact of new scheme on the DISCOM.

Procedure for transmission planning (Sec 23):

Before conceiving any new transmission system either by CTU or STU, utilization of existing transmission assets should be examined. New systems, if at all required, should be planned in such a way that the utilization percentage of existing assets / stranded assets could be improved. The proposal for new systems should clearly specify its impact on utilization of other assets and additional financial burden / impact on PoC charges of each DIC. This would help DISCOMS in taking considered view on new transmission system.

Review of transmission planning (Sec 25):

There is considerable gap between the planning of a new transmission system and its implementation. Due to uncertainties associated with addition of projected generation and growth in demand of the projected area, there are situations when the system earlier planned are not required, in the way it had been conceived. Therefore it seems necessary that any new system which has been planned and agreed to in various forums are regularly reviewed by CEA and CTU / STU for their necessity (and not for their justification) before considerable expenditure is incurred by the project developer. The outcome should be