



TATA POWER-DDL

TPDDL/PMG/CERC/24052017

Dated 24th May 2017

Ms. Sanoj Kumar Jha,
Secretary,
Central Electricity Regulatory Commission,
3rd & 4th Floor,
Chandrllok Building,
36, Janpath, New Delhi-110001,

Subject: Draft Central Electricity Regulatory Commission (Transmission Planning and other related matters) Regulations, 2017.

Dear Sir,

We write in reference to the public notice issued by Hon'ble CERC vide notification number L-1/220/2017/CERC dated 26th April 2017, wherein comments / suggestions / objections were invited from the stakeholders and interested persons on the draft regulations regarding the subject matter.

In line with the same please find attached a copy of the TPDDL comments/Suggestions on the subject matter along with this letter for your kind perusal.

Thanking You.

Yours Sincerely,
For Tata Power Delhi Distribution Ltd.

Son/er
30/5/17

24/5/17

Ashis Kumar Dutta
HoD (Power Management Group)

Enclosures:

1. Annexure 1- Copy of TPDDL Comments/Suggestions.

TPDDL's Comment on Draft Electricity Regulatory Commission (Transmission planning & other related matters) Regulations 2017.

At the outset, we would like to compliment the Hon'ble Central Electricity Regulatory Commission for adopting a futuristic methodology of transmission system planning based on the long term needs of the sector. TPDDL comments on the Proposed Transmission Planning Process are as mentioned below:

2. Scope of Regulations:

2.1. To govern planning and development of an efficient, reliable and economical system of ISTS and associated intra-State Systems.

TPDDL Comments:

May be reframed as:

"Planning and development of an efficient, reliable and economical Inter State Transmission System (ISTS) and associated intra-State Systems with adequate performance monitoring and ensuring effective utilization of the transmission assets in consultation with all the stake holders."

4.1 The objectives of these regulations is to lay down the broad principles, procedures, methodology and timelines in the process of planning and developing an efficient, reliable and economical system of ISTS and associated intra-State Transmission System and inter-alia provide for following:

(a) To specify the broad principles and procedures to be used for planning and development of inter-State Transmission System (ISTS) and associated intra-State Transmission Systems.

(b) To provide methodology for information exchange amongst generators connected with ISTS, STU, SLDC, CTU, RLDC, RPC, NLDC and CEA for coordinated planning and development of the ISTS.

(c) Identifying roles and responsibilities for various organizations in line with the Act.

(d) To provide for transparency in the Planning Process.

TPDDL Comments:

"In addition to the above mentioned objectives of the subject regulations as specified above, one more objective needs to be included. An independent agency may be created /existing authority may be entrusted with the jobs of monitoring the performance/degree of utilization of the transmission system/assets vis' a vis' its technical and declared capacity. The same agency may be empowered to take necessary penal action against the projects/developers who are not conforming to the desired performance standards and should be capable of issuing certificates in respect of utilization of the transmission projects/assets. Any new transmission assets should be planned only after ensuring that the existing assets are being utilized up to its full capacity and in consultation with stakeholders/beneficiaries subsequent to clearance from the above agency."

5.1 The Electricity Act, 2003 recognizes that transmission planning process is a coordinated activity whereby CEA shall co-ordinate the activities of the planning agencies for the optimal utilization of resources to subserve the interests of the national economy and to provide reliable and affordable electricity for all consumers. The CTU and STUs are also obligated to plan ISTS and intra –State transmission system respectively and they need to coordinate among themselves in addition to coordination with Central Electricity Authority, Licensees, Generating Companies, Regional Power Committees and Central & State Governments. Under the Act, the generating companies are also required to coordinate with CTU or the STU, as the case may be, for transmission of electricity generated by them.

TPDDL Comments:

“In addition to the above, STU’s should also be obligated to Co-ordinate with State Utilities/Discoms while planning for any intrastate/interstate Transmission system as the state Utilities/Discoms are liable for paying for the transmission charges”.

7.2. In the context of implementation of these regulations, CTU shall perform the following functions:

(a) To conduct regular meetings based on the transmission access applications.

(b) To seek status of generation projects from the project developers and CEA on quarterly basis.

(c) To provide information to the Central Study Committee on the basis of transmission access applications and associated studies.

(d) To carry out studies for evolving transmission system by the Central Study Committee and share the base case file with Regional Study Committee.

TPDDL Comments:

In addition to the above, CTU should perform the following functions also:

(a) By the end of every year, the CTU shall submit the asset/line wise performance/utilization report to the commission for the current year against the maximum transmission capacity of the same for further analysis and setting of its performance level targets for the next year along with the action taken report in the last year for improving the performance of the ISTS.

(b) By the end of every year the CTU shall submit to the commission a report in respect of all major transmission elements (such as Grids and Transmission lines) clearly mentioning its overall down time, effect of the same on the transmission capacity, responsibility centers for such down time/outage along with the future plan to avoid such failure.

(c) To publish forecast of month wise ATC/TTC against the technical capacity of such lines/assets across regions and across states on the beginning of each year and periodic updating of the same.

24-Regulatory Approval of Transmission System:

24.1. CTU would be required to approach the Commission for approval of new transmission assets in respect of ISTS within a month of its approval by Standing Committee. Commission may dispose of such petition within 3 months of its filing after considering the objections/ suggestions from the stakeholders.

24.2. Based on the above, the ISTS should be undertaken for implementation either through TBCB or Cost-Plus route as decided by the Empowered Committee.

TPDDL Comments:

To ensure the cost reduction and efficiency in transmission planning the cost plus route for implementation of ISTS should be completely abandoned. Any transmission system should only be implemented through Competitive Bidding.

Other suggestions:

- A. Decisions on Network planning and expansion should not be on Suo Moto basis. It should be done only through a consultative process and after obtaining written consent from all stakeholders who are supposed to pay the transmission charges pertaining to assets being created.
- B. Proposal of every transmission scheme being executed should clearly mention the details regarding its effect on the existing transmission capacity, along with the cost benefit analysis as compared to other alternatives, the proposed list of beneficiaries responsible for payment of transmission charges and its incremental effect on the existing Transmission Tariff. Every investment proposal should be made available in the public domain and details should be provided to the intended beneficiaries & State Regulatory Commission.
- C. A committee should be constituted for accurate assessment of stranded assets and its effect on the overall transmission capacity if put under use. A complete list of the stranded assets should be made available on the CEA/PGCIL website duly certified by the assessing agency. Sharing of cost of stranded assets due to excess planning margins or due to non-usage by the intended beneficiary need to be addressed. Further, Stranded assets should not be a part of the PoC pool. The cost pertaining to the stranded assets should be recovered only from the concerned parties responsible for creation of such assets.