



*West Bengal State Electricity Distribution Company Limited*

**(A Government of West Bengal Enterprise)**

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**Regulation Cell**

Memo No-REG/Legal/CERC/ 426

Dated: 28/12/2016

To  
The Secretary,  
Central Electricity Regulatory Commission,  
3<sup>rd</sup> & 4<sup>th</sup> Floor, Chanderlok Building,  
36, Janpath, New Delhi-110001.

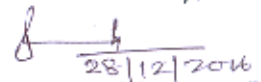
Sub: Comments on Draft CERC (Grant of Connectivity, Long-term Access and Medium-term Open Access in inter-State Transmission and related matters) (Sixth Amendment), Regulations, 2016 and CERC (Sharing of Inter State Transmission Charges and Losses) (Fifth Amendment) Regulations, 2016.

Respected Madam,

With reference to public notice dated 16.11.2016 on the above mentioned matters, comments/ suggestion of WBSEDCL are enclosed as Annexure-I & II for your consideration, please.

Encl: As above

Yours faithfully,

  
28/12/2016

(S. Mukhopadhyay)  
Chief Engineer (Reg)

Comments on draft CERC (Grant of Connectivity, Long-term Access and Medium-term Open Access in inter-State Transmission and related matters) (Sixth Amendment), Regulations, 2016 dated 28.10.2016.

A. In provision No. 2 of the draft Regulation stated that:

**"2. Amendment to Regulation 2 of the Principal Regulations:**

(1) Sub-clause (l) of clause (1) of Regulation 2 of the Principal Regulations shall be substituted as under:

"(l) "long-term Access" means the right to use the inter-State Transmission system for a period exceeding 7 years but not exceeding 25 years;

(2) Sub Clause (o) of clause (1) of Regulation 2 of the Principal Regulations shall be substituted as under:

"(o) Medium-Term Open Access means the right to use the inter-State Transmission system for a period equal to or exceeding 1 year but not exceeding 5 years;"

**WBSEDCL Comments on provision No. 2 of the draft Regulation:**

As per the above proposed draft amendment, period of LTA i.e. the right to use the Inter-State Transmission system has been proposed to be amended for the period from 7 years to 25 years which was earlier from 12 years to 25 years. WBSEDCL have no objection on that it will provide flexibility to Generators and Distribution Companies.

But, accordingly, 12 years lock in period for relinquishment of LTA should also have been substituted within 7 years.

In view of above, WBSEDCL suggested following amendment on Clause 18. (1) of the Principal Regulation, 2009 related to Relinquishment of access rights:


**18. Relinquishment of access rights**

(1) A long-term customer may relinquish the long-term access rights fully or partly before the expiry of the full term of long-term access, by making payment of compensation for stranded capacity as follows:-

**(a) Long-term customer who has availed access rights for at least 12 7years**

(i) **Notice of one (1) year** – If such a customer submits an application to the Central Transmission Utility at least 1 (one) year prior to the date from which such customer desires to relinquish the access rights, there shall be no charges.

(ii) **Notice of less than one (1) year** – If such a customer submits an application to the Central Transmission Utility at any time lesser than a period of 1 (one) year prior to the date from which such customer desires to relinquish the access rights, such customer shall pay an amount equal to 66% of the estimated

  
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transmission charges (net present value) for the stranded transmission capacity for the period falling short of a notice period of one (1) year.

**(b) Long-term customer who has not availed access rights for at least ~~12 (twelve)~~ 7 (Seven) years** – such customer shall pay an amount equal to 66% of the estimated transmission charges (net present value) for the stranded transmission capacity for the period falling short of ~~12 (twelve)~~ 7 (years) years of access rights:

Provided that such a customer shall submit an application to the Central Transmission Utility at least 1 (one) year prior to the date from which such customer desires to relinquish the access rights;

Provided further that in case a customer submits an application for relinquishment of long-term access rights at any time at a notice period of less than one year, then such customer shall pay an amount equal to 66% of the estimated transmission charges (net present value) for the period falling short of a notice period of one (1) year, in addition to 66% of the estimated transmission charges (net present value) for the stranded transmission capacity for the period falling short of ~~12 (twelve)~~ 7 (years) years of access rights. ....

**B. Proposed insertion of a new Regulation 15 B of the Principal Regulation:**

**"15B. Firming up of Drawl or Injection by LTA Customers:**

The Long Term Access Customer who has been granted long term access to a target region shall, after entering into power purchase agreement for supply of power to the same target region for a period of not less than one year, notify the Nodal Agency about the power purchase agreement along with copy of PPA for scheduling of power under LTA:

Provided that scheduling of power shall be contingent upon the availability of last mile transmission links in the target region:


Provided further that on receipt of the copy of the PPA, CTU shall advise concerned RLDC for scheduling of power at the earliest, but not later than a period of one month:

Provided also that if the capacity required for scheduling of power under LTA has already been allocated to any other person under MTOA and/or STOA, then MTOA and/or STOA shall be curtailed in accordance with priority for curtailment in accordance with Regulation 25 of these Regulations corresponding to the quantum and the period of the PPA:

Provided also that when capacity under existing MTOA are curtailed for considering scheduling of power under the PPA of the Long term Access Customer, such MTOA customer shall be permitted to relinquish its MTOA without any relinquishment charges."

**WBSEDCL Comments on proposed insertion of new Regulation 15 B:**

Clarification in respect of reference of computation of "period of not less than one year" is required to be incorporated.

  
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**C. Proposed modification of Clause No. 19:**

**19. Application for Medium-term Open Access**

"(2) The start date of the medium-term open access shall not be earlier than 5 months and not later than 2 years from the last day of the month in which application has been made."


**WBSEDCL Comments on Clause No. 19:**

The amendment proposed may affect the pricing of power purchase of WBSEDCL as MTOA may be considered any time within period 2 years though the commencement period of not earlier than 5 months will remain unchanged.

WBSEDCL may suggest not to amend this provision and Clause 19 will be read as follows.

**19. Application for Medium-term Open Access**

"(2) The start date of the medium-term open access shall not be earlier than 5 months and not later than 1 year from the last day of the month in which application has been made."

  
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Comments on draft CERC (Sharing of Inter State Transmission Charges and Losses) (Fifth Amendment) Regulations, 2016 (Sixth Amendment), Regulations, 2016 dated 28.10.2016.

**A. Amendment proposed in Clause 7 of the Principal Regulation:**

**Following sentence shall be added at the end of Sub-clause (q) of Clause (I) of Regulation 7 of the Principal Regulation:**

“(q) ...(in addition to existing clause)

Additionally, Reliability Support Charge shall also be payable by a DIC for the quantum of Connectivity granted by CTU from the date of physical Connection to ISTS including the case where DIC is not availing any LTA / MTO Approved that the total quantum for the purpose of Reliability Charge shall not exceed the quantum of Connectivity granted to a DIC:

Provided further that if Connectivity has been sought in a phased manner, Reliability charges shall be billed accordingly:

**WBSEDCL Comments on Sub-clause (q) of Clause (I) of Regulation 7 of the Principal Regulation:**

Reliability Support Charges are arbitrary and discriminatory in nature inasmuch as the same principles as the uniform charges where the beneficiaries are required to bear 10% of the total yearly transmission charges irrespective of the value of the transmission system available in their region, or that are being used by them. It ultimately results in socialisation of costs to contribute towards the cost of transmission assets that have been developed in other regions.

In view of above, WBSEDCL requested to drop the entire Clause 7. (1) (q)

**B. Proposed amendment to Regulation 9 of the Principal Regulation:**

**1) Sub-clause (I) of Regulation 9 of Principal Regulations shall be substituted as under:**


“(1)The transmission charges for MTOA customers who are not availing LTA to target region for the capacity under MTOA shall be charged 1.25 times of the LTA POC rates as notified by the Commission from time to time.

(2) The transmission charges for STOA customers who are not availing LTA to target region for the capacity under STOA shall be charged 1.35 times of the normal STOA POC rates as notified by the Commission from time to time.

Provided that the surplus charges collected under above clauses shall be reimbursed back to DICs paying charges under first bill in the next month.”

**WBSEDCL Comments on Sub-clause (I) of Regulation 9 of Principal Regulations:**

As the transmission line is mainly built for LTOA and available capacity of LTOA customer is provided to STOA and MTOA. So, it's quite logical to share the risk and cost of transmission line. Keeping this in mind following amendment is suggested:

  
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**Amendment to Regulation 9 of the Principal Regulations proposed by WBSEDCL:-**

a. Sub-clause (l) of Regulation 9 of the Principal Regulations shall be substituted as under:

"(1) The transmission charges for MTOA customers who are not availing LTA to target region for the capacity under MTOA shall be charged 1.35 times of the LTA POC rates as notified by the Commission from time to time.

(2) The transmission charges for STOA customers who are not availing LTA to target region for the capacity under STOA shall be charged 1.5 times of the normal STOA POC rates as notified by the Commission from time to time:

Provided that the surplus charges collected under above clauses shall be reimbursed back to DICs paying charges under first bill in the next month."

**C. Amendment to Clause (4) to Regulation 11 of the Principal Regulations:**

a) Following shall be added after sub para (1) of Para 4 of Regulation 11.

"For DICs having MTOA over and above LTA:


$[PoC \text{ transmission rate of demand zone in Rs / MW / month}] \times 1.25 \times (Approved \text{ withdrawal}) / (Approved \text{ injection})"$

**WBSEDCL Comments on sub para (1) of Para 4 of Regulation 11**

a) Following shall be added after sub para (1) of Para 4 of Regulation 11.

"For DICs having MTOA over and above LTA:

$[PoC \text{ transmission rate of demand zone in Rs / MW / month}] \times 1.35 \times (Approved \text{ withdrawal}) / (Approved \text{ injection})"$

  
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