



Comments on behalf of GMR Energy Ltd on Draft Grant of Connectivity and General Network Access to the inter-state transmission System and other related matter Regulations, 2017

S.no	Clause	Existing clause	Suggested changes in Clause
1.	Comment on the Draft: The Draft GNA Regulations appear to be putting an obligation on the Generator to apply for GNA & Connectivity for the full capacity of the Plant.	<p>Imposing compulsion on the Generator to seek GNA for the full capacity of the Plant is not commercially viable and legally sustainable. Generator may require operationalisation of GNA for various reasons including sequential COD of the various units of the plant. Different dates of supply of power to Consumers as per respective PPAs executed over long spread period of time, it also curtails the freedom of parties to contract as the Generator is forced to seek GNA for the full capacity even though he may require less. The availability of GNA at the time of each request made by the Generator for operationalisation will affect the Generator which he should be left to care about instead of putting financial burden on him right from day one for the entire capacity of the plant without actually using the same.</p> <p>Draft GNA Regulations require the Generator to apply for the GNA & Connectivity for the full capacity, even if they require the GNA for lesser capacity. Generators who already relinquished the LTA under the old Regulation for the unused capacity by paying the relinquishment charges are again required to apply for the GNA under the new draft Regulations for the full capacity of the plant even though he does not require the same. That would be travesty. This will put an unviable and untenable financial burden and hence not legally maintainable. Such compulsions are against the freedom of trade and profession under the Indian Constitution.</p> <p>It is also self-contradictory that if a Generator is bound to have a GNA applied for his full capacity without a choice, where is the case for relinquishment again? If he relinquishes he is not meeting the first criterion!!</p>	
2.	General Comments on the Draft Regulation	<p>There is a basic flaw in the Regulations in terms of lack equitability that is expected of it. Generation Company has to apply for GNA which is Injection GNA and Consumers will apply for GNA which is Drawl GNA. Optimum network development would be done to accommodate dispatch of Power to cater to the lower of the two for optimal infrastructure creation which is by all means logical. Theoretically a System thus created shall serve the lower of the Injection or Drawl GNA sought.</p> <p>As per the draft Regulations, the Generators have to apply for GNA for their entire capacity and the Consumers shall apply for the Drawl they intend to do and the System development would be done on the basis of lower of the two: Injection GNA or Drawl GNA.</p> <p>It is not clear if the PoC Mechanism would share the entire revenue collectible on the Transmission System over the</p>	



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		<p>Drawl GNA or Injection GNA or a combination of both. There can be many scenarios.</p> <ol style="list-style-type: none"> 1. The PoC charges are assigned to only Drawl GNA 2. The PoC charges are assigned to only Injection GNA 3. The PoC charges are assigned to total of both Injection GNA and Drawl GNA 4. The PoC charges are assigned to a selective combination of either Injection GNA or Drawl GNA <p>Considering that the gross Injection GNA is always higher than the gross Drawl GNA which is the case going to be, the System created would cater to the extent of maximum of the Drawl GNA only.</p> <p>Under the Power market scenario presently in vogue and Power Procurement policies and procedures in place, the PoC charges are a pass on by the Generators to the Drawl Customers.</p> <p>If the sharing or socialization of PoC charges happens in scenarios 2 to 4 above, the Generators would end up paying for a GNA which the transmission System is not capable of dispatching because it was developed to cater to the lower GNA of Drawl only.</p> <p>In such a case, the Generators would not be able to pass on the PoC charges incurred on the difference of GNA between the Injection and Drawl.</p> <p>The PoC charges are to be paid for the entire quantum for which GNA has been granted. Whereas there is avenue to sell only part capacity but by virtue of these Regulations, a Generating Company must apply for connectivity and GNA for the entire capacity and is also liable to pay for entire capacity of GNA. There is no avenue to utilize for entire capacity which is market dependent and also the System was not even created for such capacity and Generator gets burdened with the transmission charges for the GNA capacity not being utilized and a capacity never created. How can one not create a System for a capacity that Generator has GNA and make him pay for it.</p> <p>If a System was created to cater to the extent of Drawl GNA only the PoC shall get spread entirely on the Drawl GNA quantum only for which it was created and is only capable of serving.</p> <p>It's otherwise a travesty that Injection GNA Holder pays for the charges of a System which was not created to serve the Injection GNA he holds.</p>	



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		<p>So this draft Regulation and Sharing of PoC charges Regulation shall be modified to ensure that the gross PoC charges are spread over the Drawl GNA only and not on Injection GNA.</p> <p>It would be a better case if Transmission PoC charges should only be spread over the GNA of Consumers and Generators shall have nothing to do with it. In the case of CGS stations this is in place successfully and shall be indiscriminately be applied to all Generators.</p> <p>The Regulation cannot forcibly <u>make a Generator to take up a GNA for which System would not be made to cater to it entirely because there is no Drawl of that much quantum and then burden him for the capacity which he has no avenue to utilize.</u> This is violative of the extant Law besides being against all principles of natural justice and equity.</p>	
3.	Definitions 2.1 (d) (ii)	<p>(d) Applicant for GNA means the following in respect grant of GNA:</p> <p>(i) Applicants covered under Regulation 2(1)(c); or</p> <p>(ii) State Transmission Utility on behalf of intra-state entities who intend to seek GNA through STU (distribution licensee, Consumers, embedded Generator etc.);or</p> <p>(iii)Consumer; or</p> <p>(iv)A generating station including a captive generating plant irrespective of installed capacity; or</p> <p>(v) Distribution licensee</p>	<ul style="list-style-type: none"> • ‘Intra-state entity’ is defined in the Regulation, therefore should be used in the defined form • The assignment of STU to seek GNA on behalf of the Intra State Entities is not a mandate of the STU under the Act. CERC may not mandate the functions of STU which may not be enforceable for omissions and commissions.
4.	Definitions 2.1 (q)	<p>“General Network Access or GNA” means the non-discriminatory access to the ISTS granted by the CTU to an Applicant for an estimated maximum Injection/ Drawl for a specified period.</p>	<p>“Specified period” to be defined or explained in the Regulations</p>
5.	Definitions 2.1 (s)	<p>“General Network Access Customer or GNA Customer” means a person who has been granted GNA and shall also include the Long term Customers as defined in CERC (Grant of Connectivity, Long term Access, Medium term open access and other related matters) Regulations, 2009.</p>	<ul style="list-style-type: none"> • We suggest replacing the word “Person” with “Entity” wherever it is used in Regulations • What about MTOA and STOA customers and how they will be treated? The holders of MTOA and STOA over and above the LTA Capacity of the Customer would also need to be GNA Customer for those capacities.
6.	Missing definitions		<p>Definition of “embedded Generator” is missing and it is</p>



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			suggested to be included
7.	Scope 3.2	Persons who are already connected to the state grid may be allowed to seek Connectivity and GNA to ISTS subject to payment of transmission charges corresponding to additional Connectivity and GNA and applicable state charges.	<ul style="list-style-type: none"> • State grid to be defined or “state network” can be used in place of State grid. • Why a generation Company that is already connected to STU, seek connectivity again to ISTS. It would rather apply only for GNA. • Connectivity is not a chargeable product, GNA is. Therefore, “<i>payment of transmission charges corresponding to additional Connectivity and GNA and applicable state charges</i>” to be rephrased as “<i>payment of transmission charges corresponding to GNA and applicable state charges.</i>”
8.	Scope 3.3	Generating stations who are already connected to the ISTS grid for part of their installed capacity shall seek Connectivity and GNA to ISTS for balance capacity.	<ul style="list-style-type: none"> • Instead of “ISTS grid”, it should be “ISTS” • There is no partial connectivity in ISTS as such in vogue now, for the Generators who already have connectivity. So the requirement to seek Connectivity for balance capacity is not warranted. • This clause should not only include generating companies but also all those entities who are qualified for getting connectivity. The Draft Regulations should treat all DICs whether Consumers or Generators equitably and not as if the Regulation is actually for Generators only.
9.	Scope 3.4	An Applicant seeking GNA to the inter-State Transmission System cannot apply for GNA without applying for Connectivity to inter-State transmission System or intra-State transmission System.	“inter-state” and “intra-state” have been put in an undefined form. Need to be either defined or a defined term be only used.
10.	Scope 3.5	An Applicant who is already connected to the grid can apply for GNA for the connected quantum without applying for Connectivity.	“Grid” is in an undefined form and clarity needed whether this grid includes only ISTS or state grid also. Conflict with 3.2.
11.	Scope 3.6	An applicant may apply for Connectivity and GNA simultaneously.	This is not required as there is no bar on the contrary and the time frame to seek GNA post Connectivity is well laid



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			out as to be sought before certain time frame. That would any way include "Simultaneous"
12.	Filing of Application 5.3	STUs on behalf of distribution licensees and other intra-State entities seeking GNA to ISTS, shall apply for GNA every year for the 5 year period. The Application fee shall not be levied on STUs. STUs shall indicate quantum of GNA sought at each interconnection point of STU with ISTS.	<ul style="list-style-type: none"> • Whether intra-state utility applying through STU also exempted? More specifically Distribution Licensees, are they also exempted? • This clause is discriminatory between direct applicants and applicants applying through STU as far as the Application fee is concerned. • Indicating quantum at each interconnection point is not technically feasible hence can not be implemented, instead quantum can be specified at the electrical boundary of STU with ISTS only. The geographical location of the intra state entities would suffice to determine the design of network topology while planning the development for accommodating the GNA.
13.	Filing of Application 5.4	All application fees are to be directly credited to POWERGRID Account electronically through National Electric Fund Transfer (NEFT)/ Realtime Gross Settlement (RTGS) which shall be notified separately by CTU on their website.	"Powergrid" is not a defined term, it should be mentioned as "CTU"
14.	Timeframe for processing of applications 6.1(4)	120 days where augmentation of transmission System is not required; 180 days where augmentation of transmission System is required	This distinction is not required, the application can be processed in the same timeframe whether augmentation is required or not. As such the case requiring the System strengthening does not mean that there is an express need to determine the System strengthening before grant of GNA. There is only an identification of the distinction whether a System strengthening is required or not and then go forward to grant to either of the case in the same time frame. The actual planning, implementation shall any way follow with the required time frame for completion. There is no point holding the application for additional 60 days for the GNA Application needing



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			System strengthening. Therefore, it is suggested 120 days to be the timeframe in both the cases.
15.	Timeframe for processing applications 6.2	If Connectivity or GNA application, is not processed by CTU as per the timeline given above, such application for Connectivity or GNA shall be processed free of cost and CTU shall return the application fee paid by the applicant.	Processing of application free of cost is fine if CTU delays the grant beyond the specified timeline. However that cannot entitle them to delay the grant without any limit just because they are doing it free of cost. So a timeline has to be defined that the application has to be processed and granted in no case not later than 60 days after the original specified timeline of 60 or 120 or 180 days as the case may be.
16.	Timeframe for processing applications 6.3	After granting Connectivity to an Applicant, the nodal agency shall not withdraw the Connectivity after the Applicant fulfills the requirements as stipulated in the Regulations	“Nodal agency” to be used in a defined form in this clause as well as wherever it is mentioned in the Regulations.
17.	Grant of connectivity 7	7.7. Documents to be submitted along with the application shall include: (a) Online Application bearing digital signature of the applicant.	The class of digital signature is to be specified (preferably with Class-III Digital Signature) under reference to the IT Act 2001. Class – I & II DS should not be accepted.
18.	Grant of connectivity 7.13	After scrutiny, nodal agency shall intimate the deficiencies in the application, if any, to the applicant within one week of receipt of application. The applicant shall rectify the deficiency within one week thereafter , failing which the application shall be closed and 20% of the application fees shall be forfeited and balance shall be refunded. If the rectified application is received from the applicant after last day of the month in which application is made, application shall be deemed to have been made in subsequent month and processed accordingly.	What kind of deficiency qualify for return or intimation of correction of application is to be laid out with at least broader guidelines. There have been a lot of litigations in the past due to rejection of applications due to minor defects which can be avoided.
19.	Grant of connectivity 7.16	The application by the applicant defined under Regulation 2.1.(c)(iii)(Renewable energy Generator being developed in an existing generating station) shall be considered by	In case there are no two Generators but there is a single Generator who is the existing Generating Station who is also developing the RE additionally, the context of “Principle Generator” does not arise.



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		CTU only if the existing generating station agrees to act as the " Principal Generator " on behalf of the renewable energy generating station(s) seeking connectivity through the electrical System of the generating station and formalizes a written agreement among them in accordance with FORMAT-CON-4 and submit a copy of the agreement to the CTU, along with the application for connectivity. Such Agreement shall form a part of Connection Agreement with Principal Generator.	This is also contradictory to clause 2.1 (c) (iii) since the RE Generator is already qualified as an Applicant for Connectivity.
20.	Grant of connectivity 7.25	On completion of the dedicated transmission line the Generator(s) shall be required to hand over the dedicated transmission line to CTU for the purpose of operation and maintenance. CTU shall be entitled to normative operation and maintenance expenses as per CERC Tariff Regulations. The line shall be under the operational control of CTU for all the purposes.	<p>Operation and maintenance of the dedicated line includes scheduling and dispatch functions which comes under the purview of POSOCO (NLDC). Taking over operational control by CTU for all purposes shall amount to transgressing into the power of POSOCO. In terms of Sec 10 (1) of Electricity Act, the Generator is duty bound to establish, operate and maintain the dedicated transmission line. In this view, the clause has no gravity being in violation of Electricity Act. Even otherwise, CTU is not mandated under the Electricity Act to take up the operation and maintenance of dedicated transmission lines. Hence, levy of charges under Tariff Regulations is not legally tenable.</p> <p>While specifications for construction of the Dedicated Line can be followed from the CEA Technical Specifications the Maintenance of the Dedicated Lines also can be done by the Generating Companies under such similar specifications that may be given by CEA. CTU shall have nothing to with this.</p>
21.	Grant of connectivity 7.28	Applicant who has been granted connectivity by the nodal agency shall furnish technical connection data in accordance with FORMAT-CON-7 to CTU. These details are to be furnished to CTU within 1 month of	EPC contract of what, is to be specified. When there is no time limit specified for the EPC Contract it self to be awarded, there is not much sanctity to specify one month after the EPC Contract for submission of Details.



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		finalization of Engineering Procurement Construction (EPC) contract.	
22.	Grant of connectivity 7.28	CTU shall grant connectivity to the Applicant within the timeline as specified under Regulation 6 of these Regulations but the Applicant shall be allowed physical connection with the grid only after filing the application for GNA complete in all respects as specified under Regulation 11 of these Regulations, failing which Connectivity granted shall be deemed to be withdrawn and application fees shall be forfeited. In case of deemed withdrawal of application , the Applicant may file a fresh application for Connectivity.	<ul style="list-style-type: none"> • Instead of filing, it should preferably be 'grant of GNA' for allowing physical connection with the grid. • Whether the Connectivity would be "deemed to be withdrawn" or it would be "withdrawn" to be specific. Does the applicant need to apply for Connectivity again if it is deemed to be withdrawn. If "deemed" is intended to be same as actual withdrawal, why use the term "deemed"? • In place of 'deemed withdrawal of application', it should be 'deemed withdrawal of connectivity'
23.	Grant of connectivity 7.34 (b)	(b) Start- up shall be subject to payment of transmission charges and the Generator shall have to open a revolving and irrevocable Letter of Credit (LC) issued by a Scheduled Bank equivalent to 2 months transmission charges prior to Drawl of Start-up power.	To be rephrased as: (b) Drawl of Start- up shall be subject to payment of transmission charges and the Generator shall have to open a revolving and irrevocable Letter of Credit (LC) issued by a Scheduled Bank equivalent to 2 months transmission charges prior to Drawl of Start-up power.
24.	Construction of dedicated transmission line 8.1	The dedicated transmission line from switchyard of generating station or Solar Power Park Developer or Wind Power Park Developer or Wind-Solar Power Park Developer to the pooling station of the transmission licensee (including deemed transmission licensee) shall be developed and owned and by the applicant and shall be operated by CTU as per Regulation 7.25. The specifications for dedicated transmission lines shall be indicated by CTU while granting Connectivity.	Operation and maintenance of the dedicated line includes scheduling and dispatch functions which comes under the purview of POSOCO (NLDC). Taking over operational control by CTU for all purposes shall amount to transgressing into the power of POSOCO. In terms of Sec 10 (1) of Electricity Act, the Generator is duty bound to establish, operate and maintain the dedicated transmission line. In this view, the clause has no gravity being in violation of Electricity Act. Even otherwise, CTU is not mandated under the Electricity Act to take up the operation and maintenance of dedicated transmission lines. Hence, levy of charges under Tariff Regulations is not legally tenable.



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			While specifications for construction of the Dedicated Line can be followed from the CEA Technical Specifications the Maintenance of the Dedicated Lines also can be done by the Generating Companies under such similar specifications that may be given by CEA. CTU shall have nothing to with this.
25.	Construction of dedicated transmission line 8.4(2)	<p>Where the dedicated transmission lines have already been constructed or are under construction by ISTS Licensee (including deemed licensees) under coordinated transmission planning:</p> <p>(i) The transmission charges for such dedicated transmission lines shall be payable by the concerned generating Company to the transmission licensee from the date of COD of the dedicated line till operationalisation of GNA of the generating station in terms of Regulation 22 of these Regulations;</p> <p>(ii) After operationalization of GNA, such dedicated transmission line shall be included in the POC pool and payment of transmission charges for the said dedicated transmission line shall be governed as per the CERC (Sharing of inter-state transmission charges and losses) Regulations, 2010 as amended from time to time.</p>	<p>This is highly discriminatory.</p> <p>A Generator who has built up the dedicated transmission line get the burden of the investment loaded in to the fixed cost of his Generation Plant and loads the Tariff to that extent.</p> <p>A Generator whose Dedicated Line was made by an ISTS Licensee shall be liable to pay for the charges on that Line payable to the Licensee entirely by himself. This would establish an equity between the two cases.</p> <p>Else, if the Charges on the dedicated line are socialized by including in the POC Pool, the burden on the second Generator is reduces and amounts to lack of equity with the first Generator and would amount to discrimination.</p> <p>Thus the charges of a dedicated line made and operated by ISTS licensee shall be directly charged to the respective Generator for whom it is made and shall not be allowed to be included in the POC Pool.</p>
26.	Start date of connectivity 9.1	Operationalization of Connectivity shall be the date from which Generator shall be physically connected to the grid for <u>Drawl or Injection of power</u> .	This is a definition and should be ported under clause (2). It better be phrased as "Drawl of Start up or Injection of Infirm Power"
27.	Start date of	A Generator shall be allowed to draw start-up power	How else can a Generator draw other than through a



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	connectivity 9.2	from the grid or inject infirm power into the grid only through dedicated line after grant of Connectivity and GNA except where LILO has been allowed as part of coordinated transmission planning	dedicated line? Then why this clause? How does it matter whether LILO is there or not? Even where a LILO is allowed there is a portion of LILO Line built up to the Looping point of the existing line of ISTS. A Generating station would have a dedicated line portion irrespective of if it is connected to a pooling station or a LILO Point. If LILO is an exception made as in this clause, there has to be a provision defined how a Generator would “be allowed to draw start-up power from the grid or inject infirm power into the grid” in case LILO
28.	Point of commercial metering 10	b) In case Generator is connected to more than one pooling station, metering shall be at the bus bar of the generating station.	This does not appear to be rational. If there is more than one connection it means there are as many dedicated lines and the metering should be IMPERATIVELY done at each such pooling station the Generator is multiply connected. It appears that discrimination favors CGS who have such connectivity and would account the losses on the dedicated lines to be socialized in the pool. This clause is thus discriminatory and there is no cogent reason for this discrimination.
29.	Application for GNA 11.2	Any intra-State entity desirous of availing GNA to ISTS may apply GNA application directly to CTU along with required No objection certificate from STU or it may apply for the same to STU. STU shall consider such GNA application by all intra-state entities while making application on behalf of intra-State entities for grant of GNA to CTU.	The word “shall” in this clause makes its mandatory. STU cannot be mandated to do this as this may not be enforceable under the powers of CERC. Also it is not a mandated function of STU under the IE Act 2003.
30.	Application for GNA 11.3	Applications for Grant of GNA to ISTS shall only be made online as per the FORMAT-GNA-1(for Applicants other than STUs) or FORMAT-GNA-2 (for STUs). Each application shall be supported by a duly notarized sworn in affidavit by the applicant as per FORMAT-A.	STU should also give a sworn in affidavit because applicants applying thru STU may not have given sworn affidavits as per their procedure. Also without a sworn affidavit given by STU, how to enforce any action against omissions committed by STU when making application on behalf of any intra state entity?
31.	Application for GNA	In case of allocation of power by Ministry of Power, Govt.	Does this mean CGS does not have to apply for Injection



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	11.4	of India in respect of generating stations owned or controlled by Central Government, the concerned generating Company may make application to CTU for GNA on behalf of the allocatees on the basis of their written authority for making the application. After grant of GNA, it shall be the responsibility of the concerned generating Company to facilitate signing of GNA Agreement by the allocatees with CTU within the stipulated period as prescribed in these Regulations.	GNA? How will the transmission planning be done in case CGS are exempted from applying for Injection GNA. This is discriminatory between Central generating stations and IPPs. It is procedure that every Generator has to apply for Injection and drawees have to apply for withdrawal, based on which transmission planning would be done. This discriminates against IPPs and Central Government stations and hence should be brought at par. Putting the responsibility on the CGS Company to facilitate signing of GNA agreement by allocatees (who are Intra State Utilities) is an onerous condition and obligation without the authority or powers of to enforce it. It would better be left to the allocatees to sign the GNA Agreement with allocatees directly.
32.	Application for GNA 11.8 (c)	c) Scanned copy of Access Bank Guarantee of Rs. 20,00,000/- (Rupees Twenty lakh only) per MW as applicable. Physical copy should be submitted separately within 2 working days of submission of online application	2 working days is too less at least one week time should be given for submission of original physical copy by courier or speed post.
33.	Application for GNA 11.8 (c)	(d) PPA or Sale-Purchase Agreement of power as applicable. Letter of Intent (LOI) shall not be accepted as a PPA or Sale-Purchase Agreement.	This clause is meaningless as even without the PPA one can apply for GNA. why is PPA required here? PPA or SPA are only relevant at the time of Scheduling the dispatch post operationalization of GNA. CTU may not have anything more to do about this. The RLDC who is the scheduler needs the PPA or SPA to schedule the GNA.
34.	Application for GNA 11.11	CTU shall not hold any GNA application in abeyance and process the applications within the timeline prescribed in these Regulations. If any GNA applicant requests CTU in writing for deferment of consideration of its applications or does not participate in the GNA meetings despite being invited by CTU, the application shall not be further	What are "GNA meetings", this should be defined. Also, why meeting is required? If the application is in order then CTU should simply go ahead and grant it else seek clarification or further data if needed etc.



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		processed. CTU shall in such cases close the applications and return the Access Bank Guarantee.	
35.	Application for GNA 11.14	Before granting GNA , the Central Transmission Utility shall have due regard to the augmentation of inter-State transmission System under Draft CERC (Grant of Connectivity and General Network Access to the inter-State transmission System and other related matters) Regulations, 2017 the coordinated transmission planning. CTU shall ensure that matching STU Systems are planned along with ISTS.	Why before granting GNA? Application can granted and then give due regard to the augmentation of inter-State transmission System as they proceed to plan and develop the System. This saves a lot of avoidable delay. The word 'ensure' here means they have authority over STU which they don't have.
36.	Application for GNA 11.15	CTU shall grant GNA to the Applicant within the timeline as specified under Regulation 7 of these Regulations in accordance with FORMATGNA-5 (for Applicants other than STUs) or FORMAT-GNA-6 (for STUs).	It should be referring to Regulation 6 instead of 7.
37.	Application for GNA 11.17	A generating Company after firming up the beneficiaries through signing of long or medium or short term Power Purchase Agreement(s) or Sale Purchase Agreement(s) shall be required to notify the same to the nodal agency along with the copy of the PPA.	Why is PPA required at the application stage? If a Generator does not have a PPA, is he barred from applying for GNA? PPA or SPA is only relevant at the time of Scheduling the dispatch post operationalization of GNA. CTU may not have anything more to do about this. The RLDC who is the scheduler needs the PPA or SPA to schedule the GNA. Nodal Agency may have nothing to do with PPA or SPA.

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38.	Relative priority 12.4 Relative priority 12.6	Where necessary infrastructure required for energy metering and time block-wise accounting already exists and required transmission capacity in the State network is available, the STU shall convey its concurrence to the applicant within thirty (30) working days of receipt of the application. In case STU has not communicated concurrence or „no objection“, as the case may be, within the specified period of thirty (30) working days, from the date of receipt of the application, concurrence or “no objection “as the case may be, shall be deemed to have been granted.	What if the necessary infrastructure doesn't exist? What if concurrence is not by STU despite everything exiting as required? Even when the required things are not in place, STU needs to create them and in such case there is no case for not giving the concurrence. When there is no case not to give concurrence, where is the need for such concurrence? When if no concurrence is communicated in 30 days it is considered as deemed to have been granted, where is the need for concurrence in the first place? Can it be that it is OK only if there is a concurrence and also OK even if it is not there? This would lead to derision.
39.	System study by Nodal agency14.2	The nodal agency i.e., CTU shall carry out System studies in ISTS to examine the adequacy of the transmission System corresponding to the time frame of commencement of long-term access to effect the desired transaction of power on long-term basis, using the Available Transfer Capability (ATC).	Instead of “Long-term access”, it should be GNA
40.	Regulatory oversight 15	CTU shall approach the Central Commission for regulatory approval along with System studies of new transmission assets in respect of ISTS within a month of its approval by Standing Committee . After the approval is accorded by the Central Commission, the System strengthening of ISTS shall be undertaken for implementation in accordance with applicable Regulations.	“standing committee” is not defined anywhere in the Regulations and is it not mandated body under any policy of the government? The approval process of this Committee is not mandated under the Act either and is a chief cause of delays in grant of Connectivity and GNA etc., so far without any value addition. CTU shall be the sole agency mandated with this function and shall suffice for further regulatory approvals.
41.	General Network Access by Generators 16.1	The new generation project intending to avail the transmission services from ISTS shall apply for GNA five (5) years prior to the expected date of commissioning of	This is discriminatory and conceptually misplaced. The difference of time taken for putting up a project



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		first unit of generation project. Renewable energy Generators including Solar Power Park Developer, Wind Power Park Developer, Wind-Solar Power Park Developer shall apply for GNA two (2) years prior to the expected date of commissioning of their generation project considering their low gestation period. The Applicant shall provide updated status of progress of generating station or park through Central Repository to CTU to facilitate the transmission planners to evolve optimal transmission plans.	under a renewable energy or for thermal energy cannot be a basis for CTU to undertake transmission planning. The requirement of thermal power plant to seek connectivity and GNA 5 years prior to expected COD has no rationale. It should be left to the discretion of Generator to seek connectivity and GNA as and when it so desires depending upon its commercial acumen with attendant consequences. This Clause needs to be revised accordingly.
42.	GNA by a captive power plant 16.5 (b)	(b) Where CGP is not located at the same place as captive load, the CGP may take Injection GNA corresponding to the captive load to be met and for any surplus power.	Injection GNA is not a defined term. Injection and Drawl GNA to be defined.
43.	Network Services for Transfer of Power 17.3	The information regarding PPA shall be considered by CTU not later than a week and confirm the scheduling priority for the Generator or distribution licensee or bulk Consumer	CTU has no function in scheduling of dispatches. This shall be in the purview of RLDCs. How about short-term sales on day ahead basis? They have to be confirmed within hours of intimation.
44.	Network Services for Transfer of Power 17.4	CTU shall give priority to long term PPAs over medium term PPAs and to medium term over short term PPA and among PPAs of same category under pro-rata basis. A Generator /DISCOM/bulk Consumer may also transact power through power exchange which shall be scheduled as per available corridor. The information for Long Term and Medium Term PPA shall be registered with CTU and for short term PPA registration shall be done with respective RLDC.	Once the GNA is operationalized what is left for CTU to prioritize depending on the nature of PPAs? This is not a CTU function; this should be undertaken by RLDC's. Whatever is the mode of sale of Power be it direct or through Exchange, the Generator having his GNA operationalized has the right to be dispatched subject to priority and curtailment based on the duration of the PPA. Where is the question of "available corridor" only in case of transacting through Exchange? This is not required.
45.	Access Bank Guarantee 19	19.1. GNA Applicants other than STUs shall be required to submit Access Bank Guarantee of Rs. 20 lakh/MW. Access Bank Guarantee for renewable energy generating station or Solar Power Park Developer or Wind Power Park Developer or Wind-Solar Power Park Developer shall	Clause 19.1 and 19.2 should be merged into one sentence- Any GNA applicant who applies through STU or not has to submit Access Bank guarantee in favor of Nodal Agency.



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		<p>be Rs. 10 lakh/MW. The Access bank guarantee shall be in favour of the nodal agency, as per the FORMAT-GNA-4.</p> <p>19.2. STUs shall not be required to furnish Access Bank Guarantee. Any intra-State entity desirous of availing GNA to ISTS through STU shall apply for the same to STU along with applicable Access Bank Guarantee in favour of CTU. STU shall transfer such Access Bank Guarantee to CTU which shall be dealt with in accordance with these Regulations with respect to return of Access Bank Guarantee or as relinquishment charges.</p>	<p>It shall be stated whether state Discoms are required to pay Access Bank Guarantee for their GNA. If not, it is discriminatory.</p>
46.	Execution of General Network Access Agreement 21	21.1. The applicant shall sign an agreement for GNA with the CTU within 30 days of grant of GNA or for such extended period as may be allowed by CTU in accordance with Format-GNA-7.	This discretion should not be left in the hand of CTU. Foments litigation based on precedence. Sole discretion shall lie with CERC.
47.	Execution of General Network Access Agreement 21	21.2 In case the GNA applicant fails to sign the GNA Agreement within the stipulated period, GNA granted shall be cancelled, 1/10th of Access Bank Guarantee furnished by the applicant shall be forfeited and the balance Access Bank Guarantee shall be refunded within a week of the Cancellation.	Forfeiting One-tenth Access Bank Guarantee is not rational; forfeiture of the Application fee paid by the applicant shall suffice the cost of effort in granting. Access BG shall provide guarantee of the obligation set out in GNA application once it is signed only but not against the Application made and until the GNA Agreement is signed.
48.	Effective date of General Network Access 22	22.2 CTU shall match COD of transmission System matching with date of start of GNA. Transmission System shall be entitled to tariff only after corresponding GNA is operationalized.	Transmission System is not exclusively for GNA sought by an applicant. There can not be particular System or network elements be assigned as belonging to a particular GNA. System planning and development is done for a grossed up net of Injection and Drawl. Identifying a Transmission with a corresponding GNA is an impossibility when the mode of development under the principle of GNA is done. This cannot be implemented.
49.	Effective date of	22.3. The inability of a GNA Applicant to generate or	Instead of "GNA Applicant", it should be "GNA Holder or



S.no	Clause	Existing clause	Suggested changes in Clause
	General Network Access 22	supply electricity shall not absolve it from liability to pay transmission charges.	GNA Grantee". This clause should be re-drafted as under: <i>The inability of a GNA Grantee to generate or supply or draw electricity shall not absolve it from liability to pay transmission charges subject to remedies available under force majeure conditions.</i>
50.	Effective date of General Network Access 22	22.4. The Applicant granted GNA as per these Regulations shall be required to establish payment security mechanism in the form of Letter of Credit before operationalization of GNA as per the Sharing Regulations. However, establishment of payment of security mechanism shall not be a precondition for operationalization of GNA.	This is self contradictory. It means LC "shall be" required before operationalization but "shall not be" a precondition for operationalization!! This would be meaningless. The Clause violates the legal rights of the Generator as to Constitutional freedom of trade and profession and free will of parties in relation to Law of Contract regime. If CTU is authorised to operationalise GNA without creation of security mechanism by the Generator it would be unnecessary burden on the Generator, it would be required to pay transmission charges without using the network line. The Generator should be free to seek the quantum of his choice for GNA and operationalisation of the GNA as per his requirement for which he shall be obliged to create security mechanism aligned with his requirement of GNA. Non-creation of security mechanism can be for the reason that the Generator is not in good financial health and it maybe for the reason that the Consumer is not ready to take the supply or the COD has been delayed due to no fault of Generator. Still if the GNA is operationalised and the liability of transmission charges starts accruing without use this will amount to double jeopardy of the Generator.
51.	Effective date of General Network	23.2. On termination of the Power Purchase Agreement the GNA customer shall be liable to pay the transmission	This clause is out of place, this has no relation with PPA being terminated or not and transmission capacity so



S.no	Clause	Existing clause	Suggested changes in Clause
	Access 22	<p>charges as per applicable Regulations.</p> <p>23.3. CTU shall consider the transmission capacity so made available for scheduling of transactions for other GNA Applicants.</p>	<p>being available. The charges are anyways to be paid by the GNA customer as long as he holds the GNA without relinquishing.</p> <p>As per “Applicable Regulation” means which Regulations? The Regulations should not be left in such ambiguity for anyone’s interpretation leading to litigations. If there is an applicable Regulation it is better mentioned as to which Regulation.</p>
52.	Relinquishment of GNA 24	<p>24.1- In case GNA Customer intends to exit from GNA it shall be disconnected from the grid from the intended date of exit and the GNA Customer shall be liable to pay relinquishment charges as follows:</p> <p>(a) In case GNA Customer exits after the grant of GNA but before operationalization of GNA: In such cases complete Access Bank Guarantee of the GNA Customer shall be encashed by CTU towards exit charges. Further, the GNA Customer shall pay transmission charges for one year (average all India POC rate) towards exit charges.</p> <p>(b) In case GNA Customer exits prior to completion of 5 years after GNA is operationalized: The remaining / available Access Bank Guarantee of such GNA Customer shall be encashed by CTU towards exit charges. Further, the Generator shall pay transmission charges for one year (as per prevailing POC rate for the GNA Customer in case rate is available for the GNA Customer. In case GNA Customer specific rate is not available, average all India POC rate shall be applicable) towards exit charges.</p> <p>(c) In case a GNA Customer exits after 5 years after GNA</p>	<p>Generator can not be burdened with relinquishment charges in case he exits the System due to force majeure events which are beyond its control. No party to the contract can be forced to perform his part of obligation if the same has become impossible due to some reason beyond his control like force majeure. Sec 56 of the Indian Contract Act will come into force and a contract to contrary between the parties cannot be sustained legally.</p> <p>The prescription of fixed amount of charges to be levied in case of exit by Generator cannot be more than the actual loss suffered by the CTU in terms of Sec 73 and 74 of the Indian Contract Act. Putting a straight- jacket clause of levy of transmission charges for one year is arbitrary. The relinquishment charge is needed to be aligned and have a nexus with the actual loss suffered by CTU in case of relinquishment of GNA. These charges cannot be imposed as penalty.</p>



S.no	Clause	Existing clause	Suggested changes in Clause
		is operationalized: such GNA Customer shall be liable to pay transmission charges for one year (as per prevailing POC rate for the GNA Customer in case rate is available for the GNA Customer, else average all India POC rate) towards exit charges.	
53.	Relinquishment of GNA 24	24.2 In case an IPP relinquishes its GNA on its conversion to CGP, it shall pay Relinquishment Charges corresponding to capacity relinquished. In such case Connectivity to ISTS may be permitted subject to payment of applicable charges as per CERC Sharing Regulations. In case such CGP wishes to get converted to IPP again, it shall have to apply afresh for additional GNA and shall be considered as per prevailing Regulations.	“IPP” term is not defined in the Regulations. IPP relinquishing alone is discriminatory.
54.	Transition phase between prevailing LTA Regulations and new proposed GNA mechanism 25	For generating stations with full capacity tied up including CGS, their GNA for Installed Capacity minus auxiliary power consumption shall be deemed to have been granted. Corresponding LTA quantum for beneficiaries shall also be deemed to have been granted as GNA. A list of such GNAs of Generators and beneficiaries shall be published by CTU within one (01) months of notification of these Regulations.	“tied up” refers to what?
55.	Transition phase between prevailing LTA Regulations and new proposed GNA mechanism 25	25.2. For generating stations where LTA (including target region) has been sought for part capacity and the same has already been operationalized or has not been operationalized, the generating station shall apply for GNA for additional quantum (balance quantum for which there is no LTA) within 3 months from the date of notification of these Regulations. CTU shall grant GNA to such generating stations from the date of availability of	This is contradictory. As per these Regulations, a Generator has to apply for GNA for its entire capacity while as per this clause, the Generator that already has an LTA for part capacity has to apply for GNA for the balance quantum within 3 months. Consequences of not applying for the balance capacity are not indicated leaving it to the choice of the Generator to apply or not. This would favor the generating stations



S.no	Clause	Existing clause	Suggested changes in Clause
		transmission System.	that have LTA for part capacity to remain as it is.
56.	Transition phase between prevailing LTA Regulations and new proposed GNA mechanism 25	25.5. In case the existing LTA customer happens to be a trading licensee, the existing LTA shall be converted by CTU into GNA of the concerned generating Company or the distribution licensee or intra-State entity, as the case may be.	It cannot be as provide here because depending up on PPA conditions, the LTA might be responsibility of the Customer on whose behalf the Trading Licensee obtained LTA. In such a case this Regulation cannot convert it to be GNA of Generator but should convert to as that of the Customer only.
57.	Treatment of delay in Transmission System or Generation projects 27	27.2. In case of delay of both Generator and transmission licensee the date of start of GNA may be postponed by CTU as per progress assessed by CTU and mutual agreement and this will be duly notified on website of CTU.	Network development is not assigned to a single transmission licensee and individual elements can not be assigned as belonging to a particular GNA, therefore this can not be practically implementable. It's also meaning as if System Development is only for Generators against their GNA grant where as it is actually done for the lower of the gross Injection GNA and Drawl GNA. It is not Generators also but should mean all GNA Grantees awaiting operationalization.
58.		27.3 In case any of the developer fails to construct the generating station /dedicated transmission System by the scheduled date of GNA operationalization, it shall be liable to pay transmission charges from the date of operationalization of GNA.	Who is "developer"? This cannot escape the ambit of extant law on force majeure and sweepingly and indiscriminately force the GNA Holder liable for transmission charges from the date of operationalization of GNA.
59.		27.4. In case of adverse progress of individual generating unit(s) /expected delay of Generators assessed during coordination meeting, CTU shall endeavour to re-plan the System.	Responsibility of CTU should be defined, it cannot be simply said that CTU would endeavor. This cannot be left to the discretion of CTU. Also What about delay in bringing the demand by Drawl GNA seekers? Would the System be not re-planned to delay but instead go ahead and be created without purpose of utilization?
60.		27.6 In case any of the developer makes an exit or abandon its project and CTU is not in a position to replan the transmission System, CTU shall have the right to	It should be GNA Grantee instead of "developer".



S.no	Clause	Existing clause	Suggested changes in Clause
		encash the Access Bank Guarantee.	
61.		27.7 In the event of delay in commissioning of concerned transmission System from its scheduled date, CTU shall make alternate arrangement for dispatch of power at the cost of the transmission licensee. The interim arrangement so provided shall be removed with commissioning of actual planned System.	If alternate arrangements can be made, it means that there is an existing infrastructure which can be used. If it is so, then where was the need of creating additional infrastructure (“Concerned transmission System”) and incurring expenditure? This would be meaningless. Nothing like this happens in practice, so the Regulations cannot provide for this.
62.		27.8 In case the alternative arrangement as provided in the Regulation 27.7 cannot be provided, the transmission licensee shall pay proportionate transmission charges to the Generator.	<p>Instead of Generator, it should be GNA Grantees. Clause 27.7 and 27.8 should be merged.</p> <p>If transmission System is not ready then transmission licensee shall pay proportionate charges to the GNA Grantee.</p> <p>There will be multiple licensees, how to determine and who’ll determine the charges to be paid in case of delay from transmission Licensee? It’s better some case studies be conducted in the GNA model if this can be implemented. Else it should not become impossibility like the “stranded capacity” in the past.</p>
63.	Treatment of payment of charges in case of non-availability/delay in upstream /downstream System 28	28.1. ISTS licensee, CTU, STU, associated State transmission licensee and distribution licensee shall ensure to commission Systems in matching timeframe.	What is the remedy in case of failure, if they don’t ensure? Regulations cannot left to be advisory in nature but should be enforceable with the force of authority vested therefor.
64.	Treatment of payment of charges in case of non-availability/delay	28.2. Notwithstanding any provision with regard to indemnification in any agreement between the parties, in case of non-availability of identified downstream/upstream System, the payment liability	What is “state line” and “ISTS line”. It should be State System and ISTS.



S.no	Clause	Existing clause	Suggested changes in Clause
	in upstream /downstream System 28	shall fall on entity due to which the element has not been put to regular use as certified by RLDC. CTU shall coordinate with STU to ensure that ordering for State lines are done such that it is commissioned matching with ISTS lines . The ISTS System shall be included under POC calculations only after it is put to regular use.	