



Ref No. CERC/082018/2

Date: 30th August 2018

To,

**Shri Sanoj Kumar Jha,
Secretary,
Central Electricity Regulatory Commission (CERC)
3rd & 4th Floor, Chanderlok Building,
36, Janpath,
New Delhi-110 001**

Email Id: secy@cercind.gov.in

Subject: Comments / suggestions on Draft Central Electricity Regulatory Commission (Open Access in inter-State Transmission) (Fifth Amendment) Regulations, 2018

Ref: CERC Public Notice no. PM/NOAR/2016/CERC dated 8th August 2018

Dear Sir,

This is with reference to the above referred public notice vide which CERC had invited comments / suggestions from all the stakeholders in reference to the subject cited draft amendment.

In this matter, please find enclosed (Annexure I) with relevant comments / suggestions from my end.

It is requested to consider the detailed points while finalizing the subject cited regulation.

Thanking You,
Yours Sincerely,

**(Janmejaya Mahapatra)
Director – Energy
Multitudes Intellect
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Enclosure: Comments / suggestions on Draft Central Electricity Regulatory Commission (Open Access in inter-State Transmission) (Fifth Amendment) Regulations, 2018



Annexure - I

Comments / Suggestions on

Draft Central Electricity Regulatory Commission (Open Access in inter-State Transmission) (Fifth Amendment) Regulations, 2018

1.0 General

It is commendable on the part of the Hon'ble Commission to try to ease the mess and clear out the confusion that is prevalent in the present-day power sector, as much as possible, through strategic interventions. The five such landmark changes that are in the pipeline are:

- a. Open Access in inter-State Transmission) (Fifth Amendment) Regulations, 2018
- b. Grant of Connectivity, Long-term Access and Medium-term Open Access in inter-State Transmission and related matters (Seventh Amendment) Regulations, 2018
- c. Deviation Settlement Mechanism and related matters (Fourth Amendment) Regulations, 2018
- d. Pilot Project on 05-Minute Scheduling, Metering, Accounting and Settlement for Thermal / Hydro, and on Hydro as Fast Response Ancillary Services (FRAS).
- e. Redesigning Real Time Electricity Market in India.

Since India is in the cusp of a major transition with regard to the integration of the high volume of the renewable energy into a grid which is not expanding at a rate proportionate to the size of the former, all steps aimed to ease the burden should be taken cautiously.

In this regard the following few observations on the **Draft Central Electricity Regulatory Commission (Open Access in inter-State Transmission) (Fifth Amendment) Regulations, 2018** may kindly be considered.



2.0 Amendment to Regulation 8 (Concurrence of State Load Despatch Centre for bilateral and collective transactions) of Principal Regulations

2.1 Regulation 8(iii) of the Draft Amendment stipulates as follows:

(3) Where the existence of necessary infrastructure, availability of surplus transmission capacity in the intra-state/inter-state transmission network as the case may be, and submission of declaration as required under proviso to clause (1) of this regulation have been established, the concerned SLDC/RLDC shall issue a standing clearance up to a maximum period of 3 months to the open access customer. Provided that

i. The concerned SLDC/RLDC shall issue the standing clearance within 3 working days of receipt of such application.

ii. The standing clearance may be issued by the concerned SLDC/RLDC for a maximum period of three months at a time after which a fresh application for issuance of standing clearance shall have to be made by the open access customer.

iii. When short-term open access has been applied for the first time by any person, the buyer or the seller, the concerned SLDC/RLDC shall issue to the applicant standing clearance, within seven (7) working days of receipt of the application.

(Emphasis provided)

It is suggested that the spirit of the NOAR of facilitating hassle-free interstate power transactions should not be diluted by imposing such limitations which do not add any value except for increasing the repetitive work of application.

Accordingly, the same may be altered as follows:

The standing clearance may be issued by the concerned SLDC / RLDC for a maximum period of three months at a time. Automatic renewal for a further period of three months



shall be affected if neither the concerned RLDC / SLDC has any objection to do so nor the Open Access customer has specifically requested for any change thereof. While doing so, the ceiling limit with respect to initial registration period of three years and the same for the subsequent renewal period of one year shall be adhered to.

2.2 Regulation 8(7) of the Draft Amendment stipulates as follows:

(7) Violation of the quantum of the standing clearance may lead to withdrawal of the standing clearance by the concerned SLDC/RLDC under intimation to the NOAR.

Provided that persistent default (more than 3 such events) shall lead to debarring of the open access customer from NOAR for a minimum period of one month.

Provided further that NOAR shall also display a list of such defaulters on the website.

This stipulation is redundant since such a situation would never arise with the implementation of the envisaged Central Repository - NOAR.

If it does arise, NLDC as the custodian should also be held equally responsible and accountable instead of the Open Access customer alone.



3.0 Conclusion

The following are the main suggestions for Draft Central Electricity Regulatory Commission (Open Access in inter-State Transmission) (Fifth Amendment) Regulations, 2018.

- a. The spirit of the NOAR of facilitating hassle-free interstate power transactions should not be diluted by imposing such limitations as requirement of application every three months since these do not add any value except for increasing the repetitive work of application.
- b. In case of violation of quantum of standing clearance, NLDC as the custodian should also be held equally responsible and accountable instead of the Open Access customer alone.
- c. Most importantly, this framework of the NOAR which is designed to facilitate hassle-free and smooth network access for the inter-state as well as intra-state entities, needs to be implemented and proven before implementing the auction based Real Time Market.