



**Comments on draft CERC (Connectivity and
General Network Access to the inter-State
Transmission System) Regulations, 2021**

KERALA STATE ELECTRICITY BOARD LIMITED

General Network Access

- Progressive step
- Facilitate more orderly development of ISTS.
- Address varying requirements of stakeholders
- Provisions in the draft Regulations have certain gaps and inconsistencies which may be addressed

Transmission Charge liability of generators (Regulation 40)

- As per Electricity (Transmission System Planning, Development and Recovery of Inter-State Transmission Charges) Rules, 2021

All DICs including generators availing GNA shall pay per Mega Watt tariff fixed by the Central Commission as monthly transmission charges in addition to one time GNA charges.

- As per Existing Regulations (Sharing Regulations,2020)
 - Transmission charges shared among drawee DICs & injection DICs having untied LTAs
 - Transmission charges related to ATS, dedicated transmission line etc are on Generators till COD is achieved
- As per draft GNA Regulations
 - Only buying entities to share charges for transmission system.
 - Will lead to buying entities unnecessarily sharing the cost of ATS of untied LTA portion of generators also.

Suggested modifications:

1. All DICs including generators shall pay monthly transmission charges in proportion to their GNAs. The charges paid by injecting DICs may be settled among buyers in accordance with the provisions in their respective contracts.
2. Alternatively, the proposed Regulations may be modified to align it with Sharing Regulations, 2020 to the extent of injecting DICs paying monthly transmission charges for their untied portion of LTA (untied GNA in the new regime).

Relinquishment of Connectivity: (Regulation 24)

- Connection BG-1, BG-2 or BG-3 as applicable are encashed.
- Connection BG2 was introduced only in 2019.
- There could be a situation wherein the BG may not be adequate to recover costs

A proper mechanism for recovering the costs due to relinquishment of connectivity in such cases may also be put in place while finalizing the regulations.

Relinquishment of GNA: (Regulation 25)

- No liability for payment of relinquishment charges by generators as per the draft GNA Regulations.
- Will adversely affect all the drawee entities.
- Drawee entities will get loaded with high transmission charges.
- Against the provisions in the Rules, 2021 (Rule 5(3))
 - stipulates relinquishment charges for DIC including generators who desires to relinquish the GNA.

Relinquishment charges for generators may also be incorporated in the regulations.

Transitional provisions (Regulation 37.3(2), 37.5, 37.6)

- Proposes a free exit for generators/traders
- Will transfer the cost of stranded or under utilised transmission capacities to the state utilities.
- Relinquishment charges may be made applicable in these cases also.
- Terms like ‘effectiveness’, ‘operationalization’ may be defined.

GNA of States (Regulation 22.1)

- GNA granted to a State : perpetual unless relinquished.
- No provision for access to the ISTS for a specified period.
- As per Rule 4(4) of the Rules issued by MoP,
“the Central Commission may specify by regulations from time to time laying down the duration for which General Network Access can be granted and the procedure and fees thereof.”
- Access for a specified period may be introduced.

- Draft GNA Regulations silent on reimbursement of transmission charges collected through T-GNA to GNA grantees
- Charges for over-drawal of GNA not specified.
- Implementation of waiver of transmission charges for solar and wind not clear.

Thank You