



DRAFT CERC (Connectivity and General Network Access to the inter-State Transmission System) Regulations, 2021



1. **Regulation 5.1 - "An Applicant, which is a generating station including REGS, shall apply for grant of Connectivity to the Nodal Agency for the quantum equal to the installed capacity of the generating station....."**

TPC Suggestion - It may be clarified that current generators having connectivity (net of auxiliary power) need not re-apply for connectivity for a quantum equivalent to Auxiliary Consumption

Reasons for the Suggestion

- The Connectivity for Auxiliary Consumption has not been taken because the existing Connectivity Regulations gives connectivity only for maximum injection
- As the GNA regulations provide for connectivity equal to installed capacity, the existing connectivity should be converted equal to installed capacity
- In case such generators are asked to apply for connectivity for auxiliary quantum, no additional BGs shall be required as such generators have been already generating and supplying power to beneficiaries



2. **Regulation 8.2 (a) - "".....Provided that if the entity that has been intimated in-principle grant of Connectivity, (i) proposes to construct the terminal bay(s) on its own under Regulation 12.4 of these regulations, or....."**

TPC Suggestion - This may be deleted. Construction of terminal bays should be done only by transmission licensees.

Reasons for the Suggestion

- For uniform design and equipment make
- Allowing a second contractor may lead to modification in the standard design of main contractor
- 15% supervisory charges levied by POWERGRID. Delay by POWERGRID in sharing interface drawings/ data required by the developer in case the bay is given to the developer for construction
- As per TBCB norms, extension work in a substation is granted to the existing licensee without bidding



3. **Regulation 8.3 (b) - "The Nodal Agency, within 6 (six) months of furnishing of Conn-BG1 as per clause (a) of this Regulation, shall intimate to such entity, (i) amount of Conn-BG2 to be furnished towards ATS and terminal bay(s),....."**

TPC Suggestion –

- a. ATS should be bifurcated into (i) Common system strengthening & (ii) System strengthening specific to a generator. Conn-BG 2 amount should be sum of (i) amount for system strengthening done specifically for a particular generator and (ii) for common strengthening - amount should be in proportion to the connectivity quantum of each generator
- b. Further, system strengthening is usually a multi- purpose exercise such as increasing ATC, correcting poor voltage profile, improving stability, adding resilience, benefitting other entities not part of ATS. The total estimated ATS cost should be reduced by appropriate amount so as not to burden the applicants with an undue amount of Conn BG -2

Reasons for the Suggestion

- The Applicant which applies first should not be saddled with full cost of ATS



4. **Regulation 10.7 (c) - “.....Provision that in case of non-payment of transmission charges under Regulation 13 of the Sharing Regulations for more than 3 months from the due date, the same may be recovered by encashing Conn-BG1, Conn-BG2 and Conn-BG3, as required as per provision of Regulation 16.3 of these regulations**

TPC Suggestion –

It is presumed here that the start date of connectivity shall coincide with the date of commissioning. Penalty is payable in case COD is delayed. In this regard we suggest the following:

- a. Generators, while applying for connectivity, should be asked to specify only the month and year by which COD would be achieved (Scheduled COD or SCOD)
- b. Any penalty on account of delay in COD shall be payable from the month subsequent to the month of SCOD
- c. Generators should be permitted to extend the Scheduled COD for a period of 3 months after giving a notice of 6 months

Reasons for the Suggestion

- When connectivity will be applied by the plant or ESS developer the COD would be a rough estimate only
- There is little certainty in COD before land acquisition and dedicated transmission. Hence, it is requested that Developer shall be allowed to review COD 6 months before Scheduled COD and may extend it for a period of maximum 3 months



5. **Regulation 16.2 - Conn-BG2 and Conn-BG3 shall be returned in five equal parts over five years corresponding to the generation capacity which has been declared under commercial operation by the Connectivity grantee.**

TPC Suggestion –

The Conn-BG2 & Conn-BG3 should be returned in two equal parts over two years

Reasons for the Suggestion

- CON BG 2 and CONBG 3 returning in 5 years will have financial implications
- Substantial financial impact in maintaining BG for such long period particularly if the plant capacity is high
- CON BG 2 is being returned within two months of COD now



6. **Regulation 18.1 (g) - The Central generating stations which are connected to the grid and have not been granted Long term Access under the Connectivity Regulations but whose power is allocated by the Ministry of Power, shall be deemed to have been granted GNA equal to the installed capacity of such generating station(s).**

TPC Suggestion –

Similar to the above provision, The GNA of free power entitlement may be granted at Generating periphery (similar to untied LTA) with written consent from State DISCOM and not at the State Periphery

Reasons for the Suggestion

- As per the current policies, State Governments are entitled to get free power at the respective Hydro Power Projects (HEPs) periphery
- Currently, this free share of power from CGS plants (connected to the ISTS) are scheduled to the state and then State Govt. sell the free power platform in the short-term power market
- For sale of such power, the State DISCOM incurs additional ISTS charges & losses
- Scheduling of such power directly from generator periphery will avoid double charging of ISTS charges



7. Regulation 22.2 - Grant of GNA to entities other than STU

TPC Suggestion –

Timelines for grant of GNU by Nodal Agency has been defined in this Clause. On the same line, guidelines need to be provided to concerned authorities of States for timelines & fair allocation of GNA amongst Intra-State entities.

Reasons for the Suggestion

- Timeline for STUs/SLDCs will ensure proper discipline at Intra-State level.
- Guidelines for fair allocation would help a transparent mechanism at Intra-State level

8. Regulation 26.1 - Eligibility for Temporary GNA

TPC Suggestion – Distribution licensee connected through STU shall be allowed to apply for T-GNA

Reasons for the Suggestion

Currently, DISCOMs can also apply for short term open access. Going forward, also DISCOMs will need to buy power on short term basis and may need T-GNA. In any case DISCOMs directly connected to ISTS are allowed to apply for T-GNA.



9. Regulation 32.1 - T-GNA granted under Exigency application category or under Advance application category for a period not exceeding one month cannot be revised

TPC Suggestion – T-GNA granted under Advance application category can revise the schedule by giving 2 days notice and shall be liable to pay a penalty equivalent to 2 days Transmission charges.

Reasons for the Suggestion

In case of any unforeseen constraints at GNA Grantee's end, GNA Grantee likely to draw the partial quantum. As per the proposed Regulations, GNA Grantee can't revise the T-GNA and will continue to pay the Transmission Charges which will be an additional liability on T-GNA grantee. This will lead to a huge financial burden on the T-GNA applicant. Also, it may discourage the entity to enter into bilateral type contracts. So, revision of T-GNA may be allowed by giving 2 days notice



11. General Comment – Waiver of Transmission Charges for Renewable Energy

TPC Suggestion – As GNA quantum is based on Peak ISTS drawl, it is understood that GNA quantum also captures the RE capacity on which CTU charges are waived off.

For example, if LTA of a DISCOM is 1000 MW out of which, 800 MW is from conventional power and 200 MW tie-up is from renewables on which Transmission charges are waived off. Further, let's assume that this 1000 MW becomes the deemed GNA of the beneficiary:-

- a. Now with the implementation of GNA Regime, how the benefit of this 200 MW will be passed on to the beneficiary on which it was not paying any transmission charges earlier?
- b. For the purpose of working out transmission deviation charges, its drawal limit from ISTS will be considered as 800 MW or 1000 MW?

Reasons for the Suggestion

Clarity required pertaining to waiver of Transmission Charges on solar and wind projects in line with Orders issued by Ministry of Power from time to time. As RE capacity is also considered in the total drawal of a DISCOM, clarity needed regarding Treatment of transmission capacity/charges pertaining to RE assets.



12. General Comment – Treatment of Energy Storage System (ESS) under GNA

TPC Suggestion - A standalone ESS will both draw & inject electricity from/in the grid. In case of injection, the GNA charges would be borne by the consumer. However, in case a renewable power plant is supplying power to ESS for charging, who will be paying the GNA charges for this transaction? A clarification may be provided

13. General Comment – Transmission charges for operational ISTS Renewable Projects

TPC Suggestion – There are ISTS projects already operational where the delivery point is at the periphery of the state procuring RE power. Such ISTS RE power, located in one state and injecting power into another state DISCOM through ISTS was exempted from ISTS charges and losses as per the extant policy on Waiver of transmission charges. With GNA becoming effective at a future date, how would such transactions be made GNA compliant.

Reasons for the Suggestion

It should not happen that procuring states start raising transmission bills on RE generator

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Thank You!

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