

Suggestions /Comments from AEML on draft CERC (Sharing of Inter-State Transmission Charges and Losses) (First Amendment) Regulations, 2022

Reg. No	Draft Regulation	AEML Suggestion/comments	Rationale
Part 1 of Clause (1), Regulation 13 (as proposed)	<p>“(1) No transmission charges for the use of ISTS shall be levied for the following GNA quantum (GNA_{RE}), for scheduling power from (i) REGS or RHGS based on wind or solar sources or (ii) ESS charged with REGS or RHGS based on wind or solar sources:</p> $GNA_{RE} \text{ (in MW)} = GNA \times \frac{\sum_{n=1}^T \left(\frac{SDR_G}{SDT_G} \right)}$ <p>Where SDR_G is drawl schedule (in MW) through ISTS under GNA from entities covered under subclauses (i) and (ii) of this Regulation in nth block. SDT_G is total drawl schedule (in MW) under GNA through ISTS from all sources in nth block. 'n' is the nth time block T is number of time blocks in a month = 96X number of days in a month</p>	<p>No transmission charges for the use of ISTS shall be levied for the following GNA quantum (GNA_{RE}), for scheduling power from (i) REGS or RHGS based on wind or solar sources or (ii) ESS charged with REGS or RHGS based on wind or solar sources:</p> $GNA_{RE} \text{ (in MW)} = GNA \times \frac{\sum SDR_G}{\sum SDT_G}$ <p>Where SDR_G is drawl schedule (in MW) through ISTS under GNA from entities covered under sub clauses (i) and (ii) of this Regulation in nth block. SDT_G is total drawl schedule (in MW) under GNA through ISTS from all sources in nth block. 'n' is the nth time block T is number of time blocks in a month = 96X number of days in a month</p>	<p>(1) As per formula specified by commission, the results are erratic in terms of calculation of RE portion of GNA.</p> <p>(2) Therefore, proposed Regulations should maintain the sanctity of the various Policy directives given by Gol, otherwise it will lead to policy and regulatory uncertainty in the power sector impacting the sentiments of Investors effectively depriving the investment in the sector.</p> <p>(3) DISCOMs undertake the purchase of RE power through competitive bidding as per the guidelines issued by MoP from time to time. As the bidding is at national level, generators connected to the state grid of the buyer, Inter-State / Intra-State Transmission System or located in any other state can participate in the bidding. As per the policy directives /Orders issued by Central Govt</p>

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	<p>Provided that in case total drawl schedule (in MW) under GNA through ISTS from all sources, for nth time block, is less than 75% of Maximum schedule corresponding to GNA, the "SDT_G" shall be taken as 75% of maximum schedule corresponding to GNA for the nth block.</p>		<p>from time to time, RE generators are exempted from payment of ISTS charges & losses. Accordingly, while evaluating the net landed cost, the buyer Distribution Companies contracted with Generators who have availed such exemption. However, as per the draft Regulations, full exemption may not be available if major portion of purchase on ISTS is from RE.</p>
13 (2)	<p>No transmission charges for the use of ISTS shall be levied for the following T-GNA quantum, for scheduling power from (i) REGS or RHGS based on wind or solar sources or (ii) ESS charged with REGS or RHGS based on wind or solar sources:</p> $T-GNA_{RE} \text{ (in MW)} = T-GNA \times \frac{\sum_{n=1}^T \left(\frac{SDR_{TG}}{SDT_{TG}} \right)}{T}$ <p>SDR_{TG} is drawl schedule (in MW) through ISTS under T-GNA from entities covered under subclauses (i) and (ii) of this Regulation in nth block.</p>	<p>No transmission charges for the use of ISTS shall be levied for the following T-GNA quantum, for scheduling power from (i) REGS or RHGS based on wind or solar sources or (ii) ESS charged with REGS or RHGS based on wind or solar sources:</p> $T-GNA_{RE} \text{ (in MW)} = T-GNA \times \frac{\sum SDR_{TG}}{\sum SDT_{TG}}$ <p>Where SDR_{TG} is drawl schedule (in MW) through ISTS under T-GNA from entities covered under sub clauses (i) and (ii) of this Regulation in nth block. SDT_{TG} is total drawl schedule (in MW) under T-GNA through ISTS from all sources in nth block. 'n' is the nth time block T is number of time blocks in a month = 96X number of days in a month</p>	<p>This would tantamount to DISCOMS uncompetitive purchase by denying low cost generators connected to IntraState network.</p> <p>(4) In addition to above the economics of buyers and their competitiveness vis-à-vis other suppliers (OA suppliers or parallel distribution licensees in the area) will also suffer if the entire exemption on the RE supply is not allowed</p>

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	<p>SDT_{TG} is total drawl schedule(in MW) under T-GNA through ISTS from all sources in nth block. 'n' is the nth time block T is number of time blocks in a month = 96X number of days in a month or part of the month, as the case may be. Provided that in case total drawl schedule (in MW) under T-GNA through ISTS from all sources for a time-block, is less than 75% of maximum schedule corresponding to T-GNA for the time-block, the "SDT_{TG}" shall be taken as 75% of maximum schedule corresponding to T-GNA.</p>		
13 (3)	<p>Clauses (1) and (2) of this Regulation shall be applicable for scheduling of power from (i) REGS or RHGS based on wind or solar sources or (ii) ESS charged with REGS or RHGS based on wind or solar sources which have declared commercial operation upto 30.6.2025.</p>	<p>Clause (1) and (2) of this Regulation shall be applicable for scheduling of power from (i) REGS or RHGS based on wind or solar sources or (ii) ESS charged with REGS or RHGS based on wind or solar sources which have declared commercial operation up to 30.06.2025</p> <p>Clauses (1) and (2) of this Regulation shall be applicable for power from (i) REGS or RHGS based on wind or solar sources or (ii) ESS charged with REGS or RHGS based on wind or solar sources which have declared commercial</p>	<p>It is proposed so to align same with the MOP Order dated 30.11.2021 on Waiver of interstate transmission charges.</p> <p>As Renewable Energy Projects are highly capital extensive infra projects which requires at least 18-24 months' time starting from identification of land,</p>

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		<p>operation up to 30.6.2025 and the project covered under clause (4) & (5) of regulation 13</p> <p>Provided, in case of the commercial operation date of projects of connectivity grantee covered under 13 (1), (2), (4) & (5) surpasses the date of 30.06.2025 but have the valid extension in SCOD/SCD granted by competent authority/nodal agency which was eligible for such waiver as per the original SCOD/SCOD, shall continue to be eligible for such waiver in terms of regulation 13.</p> <p>Transmission charges for the use of ISTS shall be gradually as per following trajectory for the GNA and TGNA quantum, for scheduling power from (i) REGS or RHGS based on wind or solar sources or (ii) ESS charged with REGS or RHGS based on wind or solar sources commissioned after 30.06.2025:</p> <table border="1" data-bbox="720 906 1524 1391"> <thead> <tr> <th data-bbox="720 906 865 1032">S.No.</th> <th data-bbox="865 906 1220 1032">Period Commissioning</th> <th data-bbox="1220 906 1220 1032">of</th> <th data-bbox="1220 906 1524 1032">Inter-State Transmission Charges</th> </tr> </thead> <tbody> <tr> <td data-bbox="720 1032 865 1154">1</td> <td data-bbox="865 1032 1220 1154">01.07.2025 30.06.2026</td> <td data-bbox="1220 1032 1220 1154">to</td> <td data-bbox="1220 1032 1524 1154">25 % of the applicable ISTS charges</td> </tr> <tr> <td data-bbox="720 1154 865 1276">2</td> <td data-bbox="865 1154 1220 1276">01.07.2026 30.06.2027</td> <td data-bbox="1220 1154 1220 1276">to</td> <td data-bbox="1220 1154 1524 1276">50 % of the applicable ISTS charges</td> </tr> <tr> <td data-bbox="720 1276 865 1391">3</td> <td data-bbox="865 1276 1220 1391">01.07.2027 30.06.2028</td> <td data-bbox="1220 1276 1220 1391">to</td> <td data-bbox="1220 1276 1524 1391">75 % of the applicable ISTS charges</td> </tr> </tbody> </table>	S.No.	Period Commissioning	of	Inter-State Transmission Charges	1	01.07.2025 30.06.2026	to	25 % of the applicable ISTS charges	2	01.07.2026 30.06.2027	to	50 % of the applicable ISTS charges	3	01.07.2027 30.06.2028	to	75 % of the applicable ISTS charges	<p>availability of substation, bays, ROW issues, connectivity etc. and therefore in order to have long term visibility and certainty to the renewable power generation and for promotion of drawl of power from RE, would request Hon'ble Commission to kindly allow concessions on ISTS charges beyond 30.06.2025 gradually in line with the MoP's guidelines.</p>
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		4	From 01.07.2028	100 % of the applicable ISTS charges	
Additional Proviso to Regulation 13(4)		<p>However, it is clarified that on account of any delay in grid access operationalization, in case of any extension in SCD beyond 30.06.2025, but have the valid extension in SCOD/SCD granted by competent authority/nodal agency/MNRE/SECI/REIA for such projects, which was eligible for waiver of transmission charges for the use of ISTS as per the original SCOD/SCOD, shall continue to be eligible for 100% waivers on transmission charges for the use of ISTS network .</p> <p>Following proviso to be added:</p> <p>Provided further that all notifications / concessions / policies issued by Gol /MoP in relation to applicability of Transmission charges & losses to RE projects prior to notification of this amendment to the principal Regulation shall be deemed to be available under this Regulations</p>			To ensure Policy & Regulatory certainty