

Date: 03rd October 2022

To,
Shri Harpreet Singh Pruthi
Secretary,
Central Electricity Regulatory Commission,
Chanderlok Building, Janpath,
New Delhi

Subject: Suggestions /comments on the Draft Central Electricity Regulatory Commission (Sharing of InterState Transmission Charges and Losses) (First Amendment) Regulations, 2022.

Dear Sir,

We sincerely appreciate Govt. of India's and CERC's effort in providing conducive regulations and policies in promoting Renewable sources of energy. We are grateful for your continued guidance, and assurance you have offered, by enabling a robust and healthy policy environment to thrive in the country.

We would like to thank you for the opportunity to raise our key concerns & suggestions on the aforementioned subject.

We would like to draw your kind attention to incorporate MoP order dated 15th January 2021 and subsequent orders on *Waiver of Inter-State Transmission charges and losses on transmission of electricity generated from solar and wind sources of energy*, to provide waiver of transmission charges and losses to Solar PV manufacturing linked tender to incentivize generators to setup solar manufacturing capacity along with setting up solar plants. We request commission to incorporate below clause in the regulation as below:

No transmission charges and losses will be applicable for Solar PV power plants commissioned under SECI Tender for manufacturing linked capacity scheme (RFS No SECI/C&P/RfS/2GW Manufacturing/P-3/R1/062019 dated 25.06.2019) for sale to entities having RPO, irrespective of whether this power is within RPO or not.

We are sure that our suggestions on the issues described in the attached document, will restore sound, strategic market balancing decisions.

We express our sincere gratitude that most of the industry grievances in the past have been addressed time to time, which has helped the industry to make significant progress in deployment and scaling up of renewable projects across the country. We hope this policy conducive environment continues in order to add more energy from renewable sources.

Thanking you for your understanding, support and consideration.

With Sincere Regards



Samitla Subba
VP- Policy and Communications

Azure Power Comments on the Central Electricity Regulatory Commission (Sharing of Inter-State Transmission Charges and Losses) (First Amendment) Regulations, 2022

S. No.	Clause	Main Regulation	Draft Clause	Proposed	Rationale
1		New Clause		No transmission charges and losses will be applicable for Solar PV power plants commissioned under SECI Tender for manufacturing linked capacity scheme (RFS No SECI/C&P/RfS/2GW Manufacturing/P-3/R1/062019 dated 25.06.2019) for sale to entities having RPO, irrespective of whether this power is within RPO or not.	We request Commission to incorporate MoP order dated 15 th January 2021 and subsequent orders on Waiver of Inter-State Transmission charges and losses on transmission of electricity generated from solar and wind sources of energy, which is inline with the transmission charges and losses waiver provided to Solar PV manufacturing linked tender to incentivize generators to setup solar manufacturing capacity along with setting up solar plants.
2	Regulation 13 Clause (1) (4)	New Clause Under Supplementary Draft Regulation		No transmission charges on (i) REGS or RHGS based on wind or solar sources or (ii) ESS charged with REGS or RHGS based on wind or solar sources shall be applicable till PPA period i.e.	We would request commission to include timelines for the transmission charges waiver for the projects commissioned before 30 th

				<p>Connectivity granted to REGS projects or Standalone ESS project charged with REGS or RHGS will be applicable till 25 years or PPA tenure as per tender documents.</p> <p>Also, ESS should be charged with at least 51% of REGS or RHGS based on wind or solar sources annually to be considered as Renewable energy.</p>	<p>June 2025. We request to align the waiver with the PPA timelines for RE project as well as for ESS. Without any timeline, this will create a lot of confusion and different interpretation while implementing the regulation.</p> <p>Also, would like commission to clarify threshold for ESS to be fall under RE. 51% as proposed by MoP order dated 23rd November 2021.</p>
--	--	--	--	-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

3	Regulation 13 Clause (8)	In case a generating station or unit(s) thereof has achieved COD and the Associated Transmission System is delayed, the concerned inter-State transmission licensee(s) shall make alternate arrangement at its own cost for despatch of power of the generating station or unit(s) thereof in consultation with the Central Transmission Utility: Provided that till such alternate arrangement is made, the inter-State transmission licensee(s) shall pay to the generating station, the Yearly Transmission Charge corresponding to the quantum of Long Term Access for the period for which the transmission system has got delayed.	In case a generating station or unit(s) thereof has achieved COD and the Associated Transmission System is delayed, the concerned inter-State transmission licensee(s) shall make alternate arrangement at its own cost for despatch of power of the generating station or unit(s) thereof in consultation with the Central Transmission Utility: Provided that till such alternate arrangement is made, the inter-State transmission licensee(s) shall pay to the generating station, the Yearly Transmission Charge corresponding to the quantum of Long Term Access connectivity for the period for which the transmission system has got delayed.	In case a generating station or unit(s) thereof has achieved COD and the Associated Transmission System is getting delayed beyond its Scheduled Commissioning Date as per the Regional Power Committee meeting, the generating station to be allowed to commission the project within 90 days from the final COD of the Associated Transmission System.	We would like request Commission to consider providing 90 days' time to commission RE projects post operationalization of ATS. Since, RE projects involves huge capital investment, halting/ non-dispatch of power from these projects or just providing the Yearly Transmission Charges against the pending ATS will not justify the losses to the RE generators and provide sufficient safeguard measures. Hence, we request to allow 90-day period to the generators to commission these projects so that generators can align their investment and supply chain as per the operationalization of ATS.
4	Regulation 13 Clause (10)	Generating stations drawing start-up power from ISTS shall pay transmission charges at the rate of	Regional entity Generating stations (a) drawing start-up power or (b) drawing power during shutdown after COD or (c) for REGS drawing power	Generating stations drawing start-up power from ISTS shall pay transmission charges at the rate of	We request Commission to retain previous clause under Sharing Regulation 2020 as apart from a)

		<p>Transmission Deviation Rate for the State in which they are located: Provided that the amount so received in a billing month, shall be reimbursed to the DICs in proportion to their share in the first bill in the following billing month.</p>	<p>during non-generation hours or (d) injecting infirm power, through ISTS, shall pay transmission charges for injection or drawl beyond its T-GNA , at the rate of Transmission Deviation Rate for the State in which they are located: Provided that the amount so received in a billing month, shall be reimbursed to the DICs in proportion to their share in the first bill in the following billing month.</p>	<p>Transmission Deviation Rate for the State in which they are located: Provided that the amount so received in a billing month, shall be reimbursed to the DICs in proportion to their share in the first bill in the following billing month.</p>	<p>drawing start-up power all the activities are part of post commissioning plant operations. Hence, considering a plant a drawee entity is not correct for its auxiliary power. We request commission to continue with the current practice of netting of energy.</p>
--	--	------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------