

सेंट्रल ट्रांसमिशन यूटिलिटी ऑफ इंडिया लिमिटेड

(पावर ग्रिड कारपोरेशन ऑफ इण्डिया लिमिटेड के स्वामित्व में)

(भारत सरकार का उद्यम)

CENTRAL TRANSMISSION UTILITY OF INDIA LTD.

(A wholly Owned Subsidiary of Power Grid Corporation of India Limited)

(A Government of India Enterprise)

Ref No.: CTU/Sharing Regulations/2022

Date: 20.09.2022

To
The Secretary
Central Electricity Regulatory Commission
3rd & 4th Floor, Chanderlok Building,
36, Janpath, New Delhi- 110001

Subject: Draft Central Electricity Regulatory Commission (Sharing of Inter-State Transmission Charges and Losses) (First Amendment) Regulations, 2022

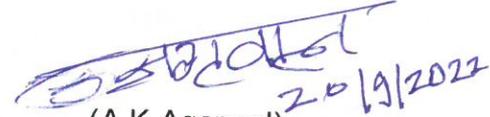
Dear Sir,

This has reference to the CERC public notice no. No. L-1/250/2019/CERC dated 18.08.2022 inviting comments on the Draft Central Electricity Regulatory Commission (Sharing of Inter-State Transmission Charges and Losses) (First Amendment) Regulations, 2022.

Towards this, para-wise comments on the Draft Regulations are enclosed at Annexure-A.

Thanking you,

Yours faithfully,


(A K Agarwal)
CGM (CTU)

Encl: As above

CTUIL Comments on proposed 1st amendment to CERC Sharing Regulations, 2020

Sl.	Clause as per existing regulation	Changes proposed in draft Amendment	CTUIL Comment
1.	<p style="text-align: center;">2. Definitions</p> <p>(1) In these Regulations, unless the context otherwise requires:-</p> <p>j) 'Designated ISTS Customer' or 'DIC' means the user of any transmission element(s) of the Inter-State Transmission System (ISTS) and shall include generating station, State Transmission Utility (STU), distribution licensee including State Electricity Board or its successor company, Electricity Department of State and any other entity directly connected to the ISTS and shall include an intra-State entity or a trading licensee that has obtained Medium Term Open Access or Long Term Access to ISTS;</p>	<p>j) 'Designated ISTS Customer' or 'DIC' means the user of any transmission element(s) of the Inter-State Transmission System (ISTS) and shall include generating station, State Transmission Utility (STU), distribution licensee including State Electricity Board or its successor company, Electricity Department of State and any other entity directly connected to the ISTS and shall include an intra-State entity or a trading licensee that has obtained Medium Term Open Access or Long Term Access GNA or T-GNA to ISTS;</p>	<ul style="list-style-type: none"> • In the principal regulation, only LTA/MTOA grantees were defined as DIC and STOA customers were not considered as DIC. However, in the proposed amendment, GNA and T-GNA both have been defined as DICs. • As per principal regulations and proposed amendments (Regulation 3(2), 5(4), 6. (2) and 6. (3), 7(2), 8(3), 8(5), 15(2)) Transmission charge under First Bill and Second Bill are to be shared only by drawee DICs. If entities having T-GNA are also considered as DIC, then billing of YTC under First Bill and Second Bills shall also have to be shared by drawee entities having T-GNA • Further, in line with Regulation 12(3), Transmission Deviation charges are to be reimbursed to the drawee DICs. If entities having T-GNA are also considered as DIC, then, Transmission Deviation charges shall also be reimbursed to the drawee entities having T-GNA. <p>Thus, in view of the above, it is proposed that the subject definition of DIC may be restricted to entities having GNA only as is being done in principal regulation for LTA/MTOA grantees. Entities having T-GNA may not be defined as DIC.</p>

CTUIL Comments on proposed 1st amendment to CERC Sharing Regulations, 2020

Sl.	Clause as per existing regulation	Changes proposed in draft Amendment	CTUIL Comment
			<p>j) <i>'Designated ISTS Customer' or 'DIC' means the user of any transmission element(s) of the Inter-State Transmission System (ISTS) and shall include generating station, State Transmission Utility (STU), distribution licensee including State Electricity Board or its successor company, Electricity Department of State and any other entity directly connected to the ISTS and shall include an intra-State entity or a trading licensee that has obtained Medium Term Open Access or Long Term Access GNA or T-GNA to ISTS;</i></p>
2.	<p>2.(1).h) <i>'Connectivity Regulations, 2009' means the Central Electricity Regulatory Commission (Grant of Connectivity, Long-term Access and Medium-term Open Access in inter-State Transmission and related matters) Regulations, 2009 and any subsequent amendments or re-enactments thereof;</i></p>	<p>h) <i>'Connectivity Regulations, 2009' means the Central Electricity Regulatory Commission (Grant of Connectivity, Long-term Access and Medium-term Open Access in inter-State Transmission and related matters) Regulations, 2009 and any subsequent amendments or re-enactments thereof;</i></p> <p><i>"(h) 'Drawee DIC' shall mean the DICs which draw power through ISTS but does not include ESS"</i></p>	<p>Connectivity Regulations, 2009' shall be repealed once CERC GNA Regulations, 2022 is implemented. Therefore, Definition of 'Connectivity Regulations, 2009' at 2. (1).h) is proposed to deleted. However, in the proposed amendment, the same has been substituted by definition of 'Drawee DIC'. However, both the definitions are not related. Therefore, it is proposed that original clause 2. (1).h) may be deleted and a new clause for definition of Drawee DIC may be inserted definition of 'DIC' i.e clause 2.(1.j) .</p>

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3.	<i>New definition proposed to be added</i>	<i>New definition not proposed in draft amendment to be added</i>	<p>In the draft amendment, GNA Regulations is referred in various clauses but the same is not defined in Sharing Regulations. Therefore, following new definition is proposed.</p> <p>.....) <i>'GNA Regulations' means the Central Electricity Regulatory Commission (Connectivity and General Network Access to the inter-State Transmission System) Regulations, 2022 and any subsequent amendments or re-enactments thereof;</i></p>
4.	<i>New clause being added</i>	<p>3) Bills for transmission charges shall be raised on the buyer in terms of this clause notwithstanding any provisions in the PPA and the settlement of the transmission charges inter se between the buyer and the generating station or the seller, wherever necessary, shall be made in terms of the PPA or as per the mutual agreement."</p>	<p>Clause 3(3) was proposed for deletion in first amendment and was proposed for substitution with this new clause. However, in supplementary amendment, principal clause 3(3) has been modified instead of deletion. Therefore, this clause is proposed to be put as new clause 3(5) with minor modifications.</p> <p>3(3) (5) Bills for transmission charges shall be raised on the buyer drawee DIC(s) in terms of this clause notwithstanding any provisions in the PPA and the settlement of the transmission charges inter se between the buyer drawee DIC(s) and the generating station or the seller, wherever necessary, shall be made in terms of the PPA or as per the mutual agreement.</p>

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5.	<p>7. Components and sharing of Transformer Component (TC)</p> <p>(2) Transformer Component for a State shall be borne and shared by the drawee DICs located in the concerned State in proportion to their Long Term Access plus Medium Term Open Access.</p>	<p>(2) Transformer Component for a State shall be borne and shared by the drawee DICs located in the concerned State in proportion to their Long Term Access plus Medium Term Open Access GNA.</p>	<p>In the proposed amendment, the word “quantum of GNA” has been used in place of “GNA”. Therefore, in Regulation 7 (2) it is proposed to replace word “GNA” with “quantum of GNA”.</p> <p>(2) Transformer Component for a State shall be borne and shared by the drawee DICs located in the concerned State in proportion to their Long Term Access plus Medium Term Open Access quantum of GNA.</p>
6.	<p>11. Transmission charges for Short Term Open Access</p> <p>(1) Short Term Open Access Rate (in paise/kWh) shall be published for each billing month by the Implementing Agency which shall be calculated State-wise as under:</p> <p>Transmission charges of the State for the billing month (in rupees) / (7200 X the quantum, in MW, of Long Term Access plus Medium Term Open Access of the State for the corresponding billing period)</p>	<p>11. Transmission charges for Short Term Open Access-T-GNA</p> <p>Clause 11. (1) & 11. (2) shall be substituted as under:</p> <p>(1) T-GNA Rate (in Rs./MW/block) shall be published for each billing month by the Implementing Agency which shall be calculated State-wise as under:</p> <p>Transmission charges for GNA for entities located in the State, for the billing month, under first bill (in rupees) X 1.10 / (number of days in a month X 96 X GNA quantum, in MW, for all such entities located in the State considered for billing, for the corresponding billing period.)”</p>	<ul style="list-style-type: none"> In the proposed amendment, original Regulation 11 (5) provided that no STOA charges are to be payable by a distribution licensee had been proposed for deletion. This gives an implication regarding applicability of T-GNA charges also on distribution licensees. However, proposed Regulation 11(2) provides for T-GNA charges payable by embedded entities only. Therefore, this aspect regarding T-GNA charge to be paid by all other entities including distribution licensee may need to be clarified in proposed amendment.

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Sl.	Clause as per existing regulation	Changes proposed in draft Amendment	CTUIL Comment
	<p>(2) <i>Transmission charges for Short Term Open Access shall be payable by generating stations and embedded entities located in the State, as per the last published Short Term Open Access Rate for the State, along with other charges or fees as per Open Access Regulations, 2008 and the Transmission Deviation charges, if any, as per these regulations.</i></p> <p>(3) <i>Transmission charges for Short Term Open Access paid by an embedded intra-State entity during a month shall be reimbursed in the following billing month to the State in which such entity is located.</i></p> <p>(4) <i>Transmission charges for Short Term Open Access, paid by a DIC with untied LTA shall be offset against the transmission charges payable by the said DIC for untied LTA in the following billing month.</i></p> <p>(5) <i>No transmission charges for Short Term Open Access for inter-State transmission system, shall be payable by a distribution licensee which has Long Term Access or Medium Term Open Access or both, or by a trading licensee acting on behalf of such distribution licensee:</i></p> <p>.....</p>	<p><i>(2) Transmission charges for T-GNA shall be payable by drawee embedded entities located in the State, as per the last published T-GNA rate for the State, along with other charges or fees as per GNA Regulations and the Transmission Deviation charges, if any, as per these regulations.</i></p> <p>(3) <i>Transmission charges for Short Term Open Access T-GNA paid by an embedded intra-State entity during a month shall be reimbursed in the following billing month to the State in which such entity is located.</i></p> <p>Clause 11. (4) & 11. (5) shall be deleted</p>	<ul style="list-style-type: none"> Proposed Regulation 11 (3) provides that T-GNA charges paid by embedded entity shall be reimbursed to State where it is located. However, considering provisions in GNA Regulations, Regulation 11 (3) may not be required. Further, in the proposed Regulation 11 (6), cross-reference to regulation 11 (3) is already proposed to be deleted. <p>Therefore, it is proposed that regulation 11 (3) may be deleted in proposed amendment.</p> <p>(3) Transmission charges for Short Term Open Access T-GNA paid by an embedded intra State entity during a month shall be reimbursed in the following billing month to the State in which such entity is located.</p>

CTUIL Comments on proposed 1st amendment to CERC Sharing Regulations, 2020

Sl.	Clause as per existing regulation	Changes proposed in draft Amendment	CTUIL Comment
	<p>(6) Transmission charges for Short Term Open Access collected in a billing month, after adjustment as per Clauses (3) and (4) of this Regulation, shall be reimbursed to the DICs in proportion to their share in the first bill in the following billing month.</p>	<p>(6) Transmission charges for Short Term Open Access T-GNA collected in a billing month, after adjustment as per Clauses (3) and (4) of this Regulation, shall be reimbursed to the DICs in proportion to their share in the first bill in the following billing month.</p>	
7.	<p style="text-align: center;">12. Transmission Deviation</p> <p>(1) Transmission Deviation, in MW, shall be computed as under:</p> <p>(c) For any drawee DIC, which is a regional entity other than distribution licensees, net metered drawal in a time block in excess of the sum of Long Term Access, Medium Term Open Access and Short Term Open Access.</p>	<p style="text-align: center;">Clause 12. (1) (c) shall be substituted:</p> <p>(1) Transmission Deviation, in MW, shall be computed as under:</p> <p>(c) For any drawee DIC, other than those covered under clause (b) of this Regulation, net metered drawal in a time block in excess of the sum of GNA and T-GNA:</p> <p style="text-align: center;"><i>Provided that if a generating station including REGS having GNA, draws through ISTS under T-GNA, the net metered drawal of such generating station in a time block in excess of T-GNA shall be considered as transmission deviation.</i></p>	<p>Proviso to Regulation 12. (1)(c) provide that transmission deviation charges shall be applicable for a generating station including REGS only. However, as per GNA Regulations, entities such as Standalone ESS and Captive Generating Station are also eligible for T-GNA as a buyer. Applicability of transmission deviation for such entities may be clarified in the proposed amendment.</p>

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Sl.	Clause as per existing regulation	Changes proposed in draft Amendment	CTUIL Comment
8.	<p>13. Treatment of transmission charges and losses in specific cases</p> <p>(7) Where Long Term Access is granted to a generating station on existing margins and COD of the generating station or unit(s) thereof is delayed, the generating station shall, corresponding to the capacity that is delayed, pay transmission charges at the rate of 10% of transmission charge per MW for the State where such generating station is located:</p> <p>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>13. Treatment of transmission charges and losses in specific cases</p> <p>(7) <i>Where Connectivity is granted to a Connectivity grantee on existing margins and COD of such Grantee is delayed, the Connectivity grantee shall, corresponding to the capacity that is delayed, pay transmission charges from the start date of such Connectivity at the rate of Rs. 3000 /MW/month:</i></p> <p>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>Words "existing system" and "no ATS" have been referred in GNA Regulations. However, the word "existing margins" has not been referred in GNA Regulations. Further, it may be possible that connectivity is granted on common systems without ATS. Therefore for better clarity , the regulation may be amended as below;</p> <p>(7) <i>Where Connectivity is granted to a Connectivity grantee on existing margins or existing system or with no ATS on common system and COD of such Grantee is delayed, the Connectivity grantee shall, corresponding to the capacity that is delayed, pay transmission charges from the start date of such Connectivity at the rate of Rs. 3000 /MW/month for the period of delay:</i></p> <p>Provided that the amount so received in a billing month, shall be reimbursed to the drawee DICs in proportion to their share in the first bill in the following billing month."</p>

CTUIL Comments on proposed 1st amendment to CERC Sharing Regulations, 2020

Sl.	Clause as per existing regulation	Changes proposed in draft Amendment	CTUIL Comment
9.	<p>13. Treatment of transmission charges and losses in specific cases</p> <p>(10) Generating stations drawing start-up power from ISTS shall pay transmission charges at the rate of Transmission Deviation Rate for the State in which they are located:</p> <p><i>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.</i></p>	<p>(10) <i>Regional entity</i> Generating stations (a) drawing start-up power or (b) drawing power during shutdown after COD or (c) for REGS drawing power during non-generation hours or (d) injecting infirm power, from 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:</p> <p><i>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.</i></p>	<p>For better clarity it is proposed that the proposed regulation 13(10) may be revised as below;</p> <p>(10) <i>Regional entity</i> Generating stations including REGS (a) drawing start-up power or (b) drawing power during shutdown after COD or (c) for REGS drawing power during non-generation hours or (d) injecting infirm power, from 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:</p> <p><i>Provided that the amount so received in a billing month, shall be reimbursed to the drawee DICs in proportion to their share in the first bill in the following billing month.</i></p>
10.	<p>13. Treatment of transmission charges and losses in specific cases</p> <p>(12) In case of a transmission system where COD has been approved in terms of proviso (ii) of Clause (3) of Regulation 4 of the Tariff Regulations, 2014 or Clause (2) of Regulation 5 of the Tariff Regulations, 2019 or where deemed COD has been declared in terms of Transmission Service Agreement under Tariff based Competitive Bidding, the Yearly Transmission Charges for the transmission system shall be:</p> <p>(a) paid by the inter-State transmission licensee whose transmission system is delayed till its transmission system achieves COD, or</p>	<p>12) In case of a transmission system where COD has been approved in terms of proviso (ii) of Clause (3) of Regulation 4 of the Tariff Regulations, 2014 or Clause (2) of Regulation 5 of the Tariff Regulations, 2019 or where deemed COD has been declared in terms of Transmission Service Agreement under Tariff based Competitive Bidding, the Yearly Transmission Charges for the transmission system shall be:</p> <p>(a) paid by the inter-State transmission licensee whose transmission system is delayed till its transmission system achieves COD, or</p>	<p>Under GNA Regulations, a distribution licensee or bulk consumer seeking connectivity to connect to ISTS with a load of 50 MW and above is eligible for GNA. There may be a case of mismatch with respect to such GNA applicants also. To address this a new clause 13.(12).(d) may be introduced or Regulation 13.(12).(a) may be revised as below;</p> <p>(a) paid by the inter-State transmission licensee or distribution licensee or bulk consumer whose transmission system is delayed till its transmission system achieves COD, or</p>

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Sl.	Clause as per existing regulation	Changes proposed in draft Amendment	CTUIL Comment
11.	<p style="text-align: center;">15. Billing.</p> <p>.....</p> <p>(2) The bills for transmission charges for the DICs shall be raised by the Central Transmission Utility under the following three categories:</p> <p>(c) The third bill shall be raised in each billing month for Transmission Deviation charges, along with the first bill.</p> <p>.....</p>	<p>No change proposed in Regulation 15. (c)</p>	<p>It may be mentioned that Deviation Settlement Mechanism for energy charges is currently being done by RLDCs. Therefore, for ease of implementation it is proposed that the transmission deviation account may also be settled by respective RLDCs and the proceeds may be forwarded to CTU for adjustment in billing.</p>
12.	<p style="text-align: center;">19. Letter of Credit and other instruments of Payment Security Mechanism</p> <p>(1) The Central Transmission Utility shall, at least 3 (three) months prior to the date of operationalization of Long Term Access or Medium Term Open Access, in respect of a DIC, give a notice to such DIC, indicating the date of operationalization of such Long Term Access or Medium Term Open Access and requiring the DIC to furnish an irrevocable, unconditional and revolving Letter of Credit through a scheduled bank or any other acceptable instrument of payment security mechanism in favour of the Central Transmission Utility.</p>	<p style="text-align: center;">19. Letter of Credit and other instruments of Payment Security Mechanism</p> <p>(1) The Central Transmission Utility shall, at least 3 (three) months prior to the date of operationalization of Long Term Access or Medium Term Open Access effective date of GNA, in respect of a DIC, give a notice to such DIC, indicating the date of operationalization of such Long Term Access or Medium Term Open Access effective date of GNA and requiring the DIC to furnish an irrevocable, unconditional and revolving Letter of Credit through a scheduled bank or any other acceptable instrument of payment security mechanism in favour of the Central Transmission Utility.</p>	<ul style="list-style-type: none"> • Effective date of GNA as decided 3 months prior are tentative in nature as they may be subject to commissioning of various transmission assets. • LCs is to be opened by drawee DICs only. <p>In view of the points mentioned above, minor modification in regulation may be done as below;</p> <p>(1) The Central Transmission Utility shall, at least 3 (three) months prior to the date of operationalization of Long Term Access or Medium Term Open Access expected effective date of GNA, in respect of a drawee drawee DIC, give a notice to such drawee drawee DIC, indicating the date of operationalization of such Long Term Access or Medium Term Open Access expected effective date of GNA and requiring the drawee drawee DIC to furnish an irrevocable, unconditional and revolving Letter of Credit through a scheduled bank or any other acceptable instrument of payment security mechanism in favour of the Central Transmission Utility.</p>

CTUIL Comments on proposed 1st amendment to CERC Sharing Regulations, 2020

Sl.	Clause as per existing regulation	Changes proposed in draft Amendment	CTUIL Comment
13.	<p style="text-align: center;">20. Collection and Disbursement</p> <p style="text-align: center;">... ..</p> <p>(2) Transmission charges collected by the Central Transmission Utility for transmission systems covered under Clauses (3), (6), (8), (9) and (12) of Regulation 13 and not covered under Regulations 5 to 8 of these regulations shall be disbursed directly to the concerned inter-State transmission licensee or the generating company, as the case may be.</p>	<p>No change proposed in Regulation 20. (2)</p>	<p>Regarding Bilateral billing , the following proviso to Regulation 20.(2) may be added ;</p> <p><i>(2) Transmission charges collected by the Central Transmission Utility for transmission systems covered under Clauses (3), (6), (8), (9) and (12) of Regulation 13 and not covered under Regulations 5 to 8 of these regulations shall be disbursed directly to the concerned inter-State transmission licensee or the generating company, as the case may be.</i></p> <p><i>Provided CTU shall act as the facilitator in raising the bills, collecting and disbursing such transmission charges to the respective transmission licensee or the generating company. Concerned transmission licensee or the generating company shall be responsible to handle any bilateral disputes among themselves.</i></p>
14.	<p style="text-align: center;">20. Consequences of non-payment of dues by a DIC</p> <p>Failure on the part of a DIC to make payment, in full, against the bills by the due date under these regulations shall make such DIC liable for action for any or combination of the following, by the Central Transmission Utility, on behalf of inter-State transmission licensee(s):</p> <p>(a) regulation of power supply in accordance with the Power Supply Regulations 2010;</p>	<p>Regulation 21 of the Principal Regulations shall be deleted.</p>	<p>A provision may be incorporated stipulating that consequences of non-payment of dues by a DIC shall be as per MoP Electricity (Late Payment Surcharge and Related Matters) Rules, 2022.</p>

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	<p><i>(b) denial of Short term Open Access by RLDC or NLDC in accordance with the Open Access Regulations, 2008;</i></p> <p><i>(c) suspension or termination of Long Term Access or Medium Term Open Access in accordance with Connectivity Regulations, 2009.</i></p>		
15.	<p style="text-align: center;">25. Information to be published by the Implementing Agency</p> <p><i>(1) The information to be made available, on its website, by the Implementing Agency shall include:</i></p> <p>.....</p> <p><i>(g) Details of Long Term Access and Medium Term Open Access in respect of each DIC for the billing period;</i></p>	<p style="text-align: center;">25. Information to be published by the Implementing Agency</p> <p><i>(1) The information to be made available, on its website, by the Implementing Agency shall include:</i></p> <p>.....</p> <p><i>(g) Details of Long Term Access and Medium Term Open Access GNA in respect of each DIC for the billing period;</i></p>	<p>For clarity minor revisions is proposed as below;</p> <p style="text-align: center;">25. Information to be published by the Implementing Agency</p> <p><i>(1) The information to be made available, on its website, by the Implementing Agency shall include:</i></p> <p>.....</p> <p><i>(g) Details of Long Term Access and Medium Term Open Access quantum of GNA in respect of each drawee DIC for the billing period;</i></p>