

No: PCKL/DDP1/ADP4&9/CERC/2022-23 /4182-87

Date: 20 SEP 2022

Encl: Annexure

The Secretary,
Central Electricity Regulatory Commission,
3rd and 4th Floor, Chandralok Building,
36, Janpath, New Delhi – 110001.

Sir,

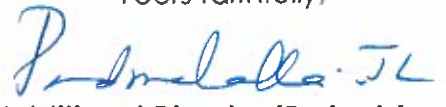
Sub: Submission of Comments/Views on the Notification of "Draft Central Electricity Regulatory Commission (Sharing of Inter-State Transmission Charges and Losses) (First Amendment) Regulations, 2022".

Ref: CERC letter no. L-1/250/ 2019/CERC dated 11.06.2022.

With respect to the above, Power Company Karnataka Limited (PCKL) is hereby furnishing the comments/suggestions/objections on the proposed Draft Central Electricity Regulatory Commission (Sharing of Inter-State Transmission Charges and Losses) (First Amendment) Regulations, 2022 as in Annexure enclosed to this letter for further needful in the matter.

It is requested to consider the comments/suggestions/objections furnished while finalizing the Regulations.

Yours faithfully,


Additional Director (Projects)
PCKL Bangalore

Copy submitted for kind information to:

1. The Managing Director, BESCOM, K.R Circle, Bengaluru-560001
2. The Managing Director, HESCOM, Navanagar, Hubballi-580025.
3. The Managing Director, GESCOM, Station Main Road, Kalaburgi-581002.
4. The Managing Director, MESCOM, Corporate office, 4th Floor, MESCOM Bhavan, Bejai,Kavoor cross Road, Mangaluru-575004.
5. The Managing Director, CESC, Corporate Office, No. CA-29, Vijaynagar 2nd Stage, Hinakal, Mysuru – 570 017.

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

Annexure

| SL No. | Central Electricity Regulatory Commission (Sharing of Inter-State Transmission Charges and Losses) Regulations, 2020. | Draft Central Electricity Regulatory Commission (Sharing of Inter- State Transmission Charges and Losses) (First Amendment) Regulations, 2022. | PCKL Comments |
|--------|---|--|---|
| 2 | <p>Definitions</p> <p>(2) '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;</p> | <p>Amendment to Regulation 2 of the Principal Regulations:</p> <p>Sub-clause (h) of Clause (1) of Regulation 2 of the Principal Regulations shall be substituted as under:</p> <p>"(h) 'Drawee DIC' shall mean the DICs which draw power through STS but does not include ESS"</p> | <p>The quantum of drawal by the beneficiary from the each generator has not been earmarked. Hence, it needs to be identified quantum of GNA of each generator so as to schedule the power to an extent of GNA quantum.</p> |
| 3 | | <p>Amendment to Regulation 3 of the Principal Regulations:</p> <p>Clause (3) of Regulation 3 of the Principal Regulations shall be substituted as under:</p> <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>New clause proposed:</p> <p>'Designated ISTS Customer' or 'DIC' means the user of any transmission element(s) of the Inter-State Transmission System (ISTS) and shall include 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 Deemed LTA (Removal of the word generating station and Medium term open access or Long term access)</p> |
| 4 | <p>(3) Long Term Access or Medium Term Open Access for projects covered under Clause (1) of Regulation 13 shall not be considered for apportionment of Yearly Transmission Charges under Regulations 5 to 8 of these regulations.</p> | <p>Amendment to Regulation 5 of the Principal Regulations:</p> | <p>As per CERC (Connectivity and General Network Access to the Inter-State Transmission System) Regulations, 2022 , states that only entities of State Transmission Utility, Drawee entity, Distribution Licensee or bulk consumer trading licensee are eligible for grant of GNA or for enhancement of quantum of GNA. Hence, rising of transmission charges by Seller / generating company on the buyers may not arise. Hence, this needs to be modified suitably</p> |

| Sl. No. | Clause No. | Central Electricity Regulatory Commission (Sharing of Inter-State Transmission Charges and Losses) Regulations, 2020. | Draft Central Electricity Regulatory Commission (Sharing of Inter-State Transmission Charges and Losses) Regulations, 2022 | State Transmission Charges and Losses) (First Amendment) Regulations, 2022 | PCRL Comments |
|---------|------------|---|---|--|---|
| 5 | (11) | (2) Yearly Transmission Charges covered under sub-clause (a) of Clause (1) of this Regulation shall be shared by drawee DICs of the receiving region and injecting DICs with united LTA in the receiving region, in proportion to their quantum of Long Term Access plus Medium Term Open Access and united LTA, respectively. | Clause (2) of Regulation 6 of the Principal Regulations shall be substituted as under: “(2) Yearly Transmission Charges covered under sub-clause (a) of Clause (1) of this Regulation shall be shared by drawee DICs of the receiving region in proportion to their quantum of GNA.” | Clause (4) of Regulation 5 of the Principal Regulations shall be substituted as under: “(4) The Yearly Transmission Charges for the National Component shall be shared by all the drawee DICs in proportion to their quantum of GNA.” | Clause (4) of Regulation 5 of the Principal Regulations shall be substituted as under: “(4) The Yearly Transmission Charges for the National Component shall be shared by all the drawee DICs in proportion to their quantum of GNA minus the quantum of power supplied to other States through Natural ISTS lines” (Generating stations has to be included till the date of commissioning of the Plant) |
| 10 | (12) | (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: 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) | Amendment to Regulation 11 of the Principal Regulations: Clause (1) of Regulation 11 of the Principal Regulations shall be substituted as under: “(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: 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.)” | As per the GNA Regulation, T-GNA Regulation shall be applied for 11 months. These charges shall be paid in advance. Therefore, T-GNA rate including transmission deviation have to be paid on monthly basis. The transmission charges of 105% for the T-GNA charges has to be retained as the proposed increase to 110% would be a burden on Discoms. The surrender charges for T-GNA has to be reduced from 1 month to 2 days which was existing earlier to reduce the financial crises. | |

| SL No. | Central Electricity Regulatory Commission (Sharing of Inter-State Transmission Charges and Losses) Regulations, 2020. | Draft Central Electricity Regulatory Commission (Sharing of Inter-State Transmission Charges and Losses) (First Amendment) Regulations, 2022. | PCKL Comments |
|--------|---|---|--|
| (13) | (2) 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. | Clause (2) of Regulation 11 of the Principal Regulations shall be substituted as under: “(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.” | Transmission charges for TGNA shall be paid on monthly basis though the TGNA obtained for 11 months since, charges vary on month to month basis and deviation charges depending on drawal including TGNA. If charges are collected on first month billing basis the DISCOMs are to pay the higher charges. |
| (16) | (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. | Clause (6) of Regulation 11 of the Principal Regulations shall be substituted as under: “(6) Transmission charges for T-GNA collected in a billing month, shall be reimbursed to the DICs in proportion to their share in the first bill in the following billing month.” | Transmission charges for T-GNA collected in a billing month, shall be reimbursed to the State where the entity is located for billing month. |
| 11 | | Amendment to Regulation 12 of the Principal Regulations: | |
| (11) | (1) Transmission Deviation, in MW, shall be computed as under: (a) For a generating station, net metered ex-bus injection, in a time block in excess of the sum of Long Term Access, Medium Term Open Access and Short Term Open Access: Provided that for a hydro-generating station, overload capacity of 10% during peak season shall be taken into account. (b) For a State net metered ex-bus injection or net metered drawal, in a time block, in excess of the sum of Long Term Access and Medium Term Open Access. (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. | Sub-clauses (a), (b), and (c) of Clause (1) of Regulation 12 of the Principal Regulations shall be substituted as under: “(a) For a generating station, net metered ex-bus injection, in a time block in excess of GNA: Provided that for a hydro-generating station, schedules for overload capacity of 10% during peak season shall not be charged under transmission deviation. (b) For a State net metered injection or net metered drawal, in a time block, in excess of the sum of GNA and T-GNA for the State including all drawee intra-state entities. (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: 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.” | a) Generator wise GNA quantum allocated to each ESCOMs has not been specified. If beneficiary are required to schedule power the quantum of GNA is necessary. For the generator connected to both STU and ISTS, the methodology of computation of Transmission Deviation may be clearly given. Generator wise GNA quantum is not specified in the GNA Regulation |

| Sl No. | Clause No. | Central Electricity Regulatory Commission (Sharing of Inter-State Transmission Charges and Losses) Regulations, 2020. | Draft Central Electricity Regulatory Commission (Sharing of Inter-State Transmission Charges and Losses) (First Amendment) Regulations, 2022 | PCKL Comments |
|--------|------------|--|--|---|
| 12 | (12) | <p>(2) Transmission Deviation Rate in Rs./MW, for a State or any other DIC located in the State, for a time block during a billing month shall be computed as under:</p> <p>1.05 X (Transmission charges of the State for the billing month in Rs.)/ (Quantum in MW of Long Term Access plus Medium Term Open Access of the State for the corresponding billing period X 2880)</p> | <p>Clause (2) of Regulation 12 of the Principal Regulations shall be substituted as under:</p> <p>"(2) Transmission Deviation Rate in Rs./MW, for a State or any other DIC located in the State, for a time block during a billing month shall be computed as under:</p> <p>1.35 X (Transmission charges for GNA of entities located in the State, under first bill for the billing month in Rs.)/ (GNA quantum in MW of such entities located in the State, considered for billing, for the corresponding billing period X number of days in a month X 96)"</p> | <p>The transmission charges of 105% for the transmission deviation charges has to be retained as the high transmission deviation charges of 135% would impact the Discoms financially.</p> |
| 12 | (12) | <p>(3) Where COD of a generating station or unit(s) thereof is delayed and the Associated Transmission System has achieved COD, which is not earlier than its SCOD, the generating station shall pay Yearly Transmission Charges for the Associated Transmission System corresponding to Long Term Access granted for the generating station or unit(s) thereof, which have not achieved COD:</p> <p>Provided that Yearly Transmission Charges in respect of Associated Transmission System shall be included for determination of transmission charges of DICs in accordance with Regulations 5 to 8 of these regulations upon the generating station or unit(s) thereof achieving COD.</p> | <p>Clause (3) of Regulation 13 of the Principal Regulations shall be substituted as under:</p> <p>"(3) Where COD of a Connectivity/grantee is delayed from start date of Connectivity in terms of GNA Regulations, and the Associated Transmission System has achieved COD, which is not earlier than such start date of Connectivity, the Connectivity grantee shall pay Yearly Transmission Charges for the Associated Transmission System corresponding to Connectivity capacity which have not achieved COD:</p> <p>Provided that Yearly Transmission Charges in respect of Associated Transmission System corresponding to the Connectivity capacity which have achieved COD shall be included for determination of transmission charges of DICs in accordance with Regulations 5 to 8 of these regulations."</p> | <p>In case dedicated transmission line has already been constructed for a generator and LTA was operationalised for part Capacity, as per 13(9) of the principal Regulations. Yearly transmission charges for the dedicated transmission line proportionate to the quantum of LTA operationalised shall be considered in accordance with Regulations 5 to 8 of the Regulations and the balance transmission charges shall continue to be paid by the generating station as bilateral charges.</p> <p>For such existing generators, as per the amendment sharing Regulations. GNA is deemed granted for the capacity that LTA was operationalised. For balance capacity upto its connectivity, if the generator does not apply for additional GNA upto its connectivity. It needs to be clarified.</p> |

| Sl No. | Central Electricity Regulatory Commission (Sharing of Inter-State Transmission Charges and Losses) Regulations, 2020. | Draft Central Electricity Regulatory Commission (Sharing of Inter-State Transmission Charges and Losses) (First Amendment) Regulations, 2022 | PCKL Comments |
|--------|---|--|---|
| (15) | <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>Clause (7) of Regulation 13 of the Principal Regulations shall be substituted as under:</p> <p>"(7) 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: 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>As per the NLDC notifications on monthly transmission charges payable by the States, it is observed to be in the range of Rs. 2,50,000-4,50,000/MW/month. As per the Principal Regulations, transmission charges are payable at the rate of 10% of transmission charge per MW for the State where such generating station is located: Then transmission charges are payable by connectivity grantee (Generator) are around 25,000 -45,000/MW/Month. Hence, Rs.3,000/MW/month is quite low when compared to Principal Regulations.</p> <p>Provided that the amount so received in a billing month, shall be reimbursed to the State , where the entity is located for the billing month."</p> |
| (18) | <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>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>Clause (10) of Regulation 13 of the Principal Regulations shall be substituted as under:</p> <p>"(10) Regional entity 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 in firm 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:</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>Provided that the amount so received in a billing month, shall be reimbursed to the State where the generating station located in the following billing month.</p> |
| (19) | <p>(11) Where a generating station is connected to both ISTS and intra-State transmission system, only ISTS charges and losses shall be applicable on the quantum of Long Term Access and Medium Term Open Access corresponding to capacity connected to ISTS.</p> | | <p>Regulation 13 (11) of the Sharing Regulations, 2021 with respect to payment of transmission charges connected to both ISTS and intra-state transmission system on the quantum of power has to be retained and modified suitably.</p> |
| 13 | | <p>Amendment to Regulation 14 of the Principal Regulations:</p> | |
| (11) | <p>(1) The Implementing Agency shall publish transmission charges payable by drawee DICs and injecting DICs with united LTA for the billing month in Rupee terms.</p> | <p>The words "and injecting DICs with united LTA" in Clause (1) of Regulation 14 of the Principal Regulations shall be deleted.</p> | <p>Generator wanted to setup plant under merchant power plant for which GNA required</p> |


 Additional Director (Projects)
 PCKL Bangalore

