

## POWERGRID Comments on proposed 1<sup>st</sup> amendment to CERC Sharing Regulations, 2020

Sl.	Clause as per existing regulation	Changes proposed in draft Amendment	POWERGRID Comment
1.	<p>13. Treatment of transmission charges and losses in specific cases</p> <p>(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:</p> <p>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.</p>	<p>(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:</p> <p>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.</p>	<p>Coordination for development of ISTS system is done by CTU. In case of delay of their transmission system, Inter-State transmission licensee(s) may not be aware of the quantum of power required to be evacuated through such alternate arrangement. Further, the transmission licensee shall not be able to plan the required alternate arrangement. Transmission licensee can only implement such alternate arrangement which is planned by CTU. Therefore following is proposed ;</p> <p>(8) In case a generating station or unit(s) thereof has achieved COD and the Associated Transmission System is delayed, CTU in consultation with concerned inter-State transmission licensee(s) and generating station utility shall plan the concerned <del>shall make</del> alternate arrangement <del>at its own cost</del> for despatch of power of the generating station(s) or unit(s) thereof which shall be implemented by concerned inter-State transmission licensee(s) at its own cost <del>in consultation with the Central Transmission Utility:</del></p> <p>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 <del>Long Term Access</del> <b>Connectivity</b> for the period for which the transmission system has got delayed.</p>

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2.	<p><b>Additional comments on Mismatch Issue:</b> ISTS transmission element/project are being executed in both TBCB and RTM mode. Upstream and Downstream network consists of Generator, RTM/TBCB ISTS transmission elements of same or other transmission licensee and Intra state networks.</p> <p>Generation, Transmission and distribution are distinct businesses with inherent different time lines for implementation, risk factors and challenges associated with them. All infrastructure projects particularly linear projects such as transmission projects are prone to delay due to factors beyond the control of the developers and despite best-coordinated efforts, mismatch in some cases is unavoidable. Further, there can be great difference in scope of work of the two Transmission Licensees e.g., one Transmission Licensee will make the line whereas other Transmission Licensee will make the substation bays. Therefore, present philosophy of bilateral billing under regulation 13. (12) leads to a situation where a Transmission Licensee's liability is left open and may not be commensurate with its investment.</p> <p>Issue regarding mismatch charges payable by generators has largely been addressed with notification of GNA regulations wherein the same has been made rational and predefined. However, mismatch charges payable by transmission licensees is still an area of concern and it is required that their liabilities under mismatch conditions are similarly made rational and predefined.</p> <p>Therefore, it is proposed that mismatch liability on transmission licensees may be restricted to minimum of applicable transmission charges of utilities involved or else liability may be defined in terms of fixed % of YTC of defaulting entity. Transmission tariff for transmission licensee(s) which is ready may be recovered from PoC pool only. Mismatch liabilities as discussed, when received may be utilised to adjust the transmission charges to be paid by DICs as per the CERC Sharing Regulations.</p>		