

Tata Power Comments on Draft CERC (Sharing of ISTS Charges) Amendment Regulations 2022 including on Supplementary Draft Notification dated 18.08.2022

Sl. No.	Clause No. & Description	Tata Power Suggestions/ Queries/ Concerns1	Rationale for Suggestions
1.	2(1)(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 GNA or T-GNA;	‘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 Entity, standalone ESS directly connected to the ISTS and shall include an intra-State entity or a trading licensee that has obtained GNA or T-GNA	Standalone ESS can seek connectivity to ISTS as per 4.1 © of CERC (Connectivity & to ISTS) Regulations 2022 and is therefore a DIC
2.	3(4) Principles of Sharing Transmission Charges Sharing of transmission charges for DICs shall be based on the technical and commercial information provided by the DICs, inter-State transmission licensees, NLDC, RLDCs, SLDCs and CTU to the Implementing Agency.	This may be modified as follows: Sharing of transmission charges for Drawee DICs shall be based on the technical and commercial information provided by the DICs, inter-State transmission licensees, NLDC, RLDCs, SLDCs and CTU to the Implementing Agency	The transmission charges are going to be shared by drawee DICs only
3.	11(1) Transmission Charges for T-GNA 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.)”	This may be modified as below:Transmission charges for GNA for entities located in the State, for the billing month, under first bill (in rupees) X 1.10 1 / (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.)”	A DIC is entitled to work out his most optimum drawal schedule considering requirement. There are situations when a the DISCOM DIC would be compelled to take T-GNA due to irregular changes in demand. In such cases, charging 10% higher than the normal charges may not be fair for the fact that it is being provided in the existing margin. We understand the advantage of forecasting and demand estimation at a holistic level, however this clause may be

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			revisited and revised till the time drawee DIC attains the capability to forecast accurately.
4.	<p>11(2) Transmission Charges for T-GNA 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.”</p>	<p>It may be clarified whether the other entities eligible for T-GNA as per 26.1 of the GNA Regulations shall be liable for payment of T-GNA charges It is also requested to provide Definition of "embedded entities" for ample clarity</p>	<p>It appears that it is only applicant under 26.1(a)(iii) who is liable to pay T-GNA charges. As per 26.2 of CERC (Connectivity & GNA to ISTS) Regulations 2022, “A GNA grantee shall be eligible to apply for T-GNA over and above the GNA granted to it, as per eligibility under clause (a) of Regulation 26.1 this Regulation.” Aren’t the other entities who may be applying for T-GNA over and above their GNA liable to pay T-GNA charges?</p>
5.	<p>11(6) Transmission Charges for T-GNA 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.</p>	<p>Clarity may be provided whether the DICs located within the geographical boundary of the state are being referred here or the charges are going to be reimbursed to all the DICs in the national pool.</p>	
6.	<p>12(1) Transmission Deviation 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 GNA: Provided that for a hydro-generating station, schedules for overload capacity of 10% during peak season shall not be charged under transmission deviation.</p>	<p>Another proviso may be added under this clause, as follows: Any deviation, which is on account of the instructions of RLDCs shall not be accounted under transmission deviation</p>	<p>Generating station providing primary/ secondary/ tertiary ancillary services should be kept out of the purview of the deviation</p>

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7.	<p>13(1) Treatment of transmission charges and losses in specific cases</p> <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> $GNA_{RE} \text{ (in MW)} = GNA \times \frac{\sum_{n=1}^T \left(\frac{SDR_G}{SDT_G} \right)}{T}$ <p>Where,</p> <ul style="list-style-type: none"> • SDRG is drawl schedule (in MW) through ISTS under GNA from entities covered under subclauses (i) and (ii) of this Regulation in nth block. • SDTG 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>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</p>	<p>While this formula may work for procurement by DISCOMs, it is detrimental for OA consumers of RE based power. It is suggested that the proposed formula by CERC may be replaced by the following formula:</p> <p>GNA-RE (OA) (in MW) = GNA x {(Max Dr-RE)/ (Max Dr-AllSources)}</p> <p>Where,</p> <p>Max Dr-RE is the maximum drawal from RE sources in a time block in a month; Max Dr-AllSources is the maximum drawal from all sources in a time block in a month</p>	<p>Reasons for suggesting an alternate formula are as follows:</p> <ol style="list-style-type: none"> 1. MOP notification dated 23.11.2021 granted complete waivers on transmission charges for solar and wind energy self-consumed or sold to any entity either through competitive bidding, Power Exchange or through bilateral agreement. 2. Solar, wind, solar + wind hybrids without ESS have around 20-24%, 30-35% and 40-50% annual CUFs. Applying the formula proposed by CERC (with SDTG as minimum 75%) and further dividing by the total number of blocks in a month will result in a miniscule waiver. Further, since RE is infirm, the OA consumer will have variable GNA charges over months. Even over a period of a single day, there would be time periods when there would be no or miniscule drawal because of the vagaries of the solar/ wind elements. 3. Almost all existing installations are without adequate storage capacity. Even now, capacities being bided are either standalone solar or small capacities of RTC power. RE with ESS tenders have still a long way to go. Only storage can increase the CUF of solar/ wind/ solar-

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	<p>“SDTG” shall be taken as 75% of maximum schedule corresponding to GNA for the nth block.</p>		<p>wind hybrid to around 70-80% ; however the use of storage is yet to catch on.</p> <p>4. RE-RTC capacities where RE accounts for the major share in the capacity mix would have the same disadvantage as explained above.</p> <p>5. Alternately, we suggest that the CERC proposed formula may be used for waiver for DISCOMs only while the suggested formula is used for OA consumers. The information on the OA consumers would be available since they are eligible for applying for GNA and there are designated formats for application for GNA by them; so a formula designed for them can be applied on them.</p>
8.	<p>(2) 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>(2) No transmission charges for the use of ISTS shall be levied for the following T-GNA</p>	<p>Suggestion mentioned above can be used here too particularly for</p> <ol style="list-style-type: none"> 1. Bulk consumer directly connected to ISTS 2. buying entity connected to intra-State transmission system or to distribution system connected to such intra-state transmission system 	

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	<p>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> <ul style="list-style-type: none"> • SDRTG is drawl schedule (in MW) through ISTS under T-GNA from entities covered under subclauses (i) and (ii) of this Regulation in nth block. • SDTTG 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 <p>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 “SDTTG” shall be taken as 75% of maximum schedule corresponding to T-GNA.</p> <p>Provided further that the reimbursement, from the already paid T-GNA charges, on account of T-GNARE shall be made ex-post on finalization of schedules, by 15th day of the next month</p>		
9.	13(1)		

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	<p>Treatment of transmission charges and losses in specific cases 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>It is suggested to modify as follows: Where COD of a Connectivity Grantee is delayed from start date of Connectivity in terms of GNA Regulations, under Force Majeure conditions and extension has been duly granted as per procedure set out in bid documents by appropriate authorities, and the Associated Transmission System has achieved COD, which is not earlier than such start date of Connectivity, the connectivity date shall be suitably extended to align with the revised SCOD of the generation project. The Yearly Transmission Charges for the ATS which has already achieved COD shall be recovered from DICs in accordance with Regulations 5 to 8 of these Regulations</p>	<p>If a generation project has been granted extension of COD by MNRE/ intermediary procurer under Force Majeure conditions, then it wouldn't be justified to recover the transmission charges from the generator on account of the ATS achieving COD as per the earlier SCOD. It is suggested that this situation may be taken care of suitably in the Sharing Regulations. This safeguard has been specifically provided to developers impacted by the pandemic and other supply constraints vide MOP notification on Waiver of Transmission Charges dated 30.11.2021</p>
10.	Additional Point Payment Security Mechanism	Clauses with respect to Payment Security Mechanism may be retained	This will safeguard the interest of the transmission service provider
11.	Additional Point Payment of Transmission Charges in Flexibilization Scheme through Bundling of Power	As per Guidelines for Tariff Based Competitive Bidding Process for Procurement of Power from Grid Connected RE Power Projects for utilisation under scheme for flexibility in Generation and Scheduling of Thermal/ Hydro Power Stations through bundling with Renewable Energy and Storage power dated 26.08.2022, the 'procurer' means the thermal/hydro generating company.	As per the Draft Sharing of ISTS Charges and Losses Regulations 2022, the same are to be borne by the Drawee DICs. Under the Flexibilization scheme, even though the existing thermal/ hydro generators are "procurers", the RE power is being procured within the existing connectivity to be sold to the beneficiaries under the existing PPA. Therefore, the transmission charges shall be

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		<p>Clarity is requested on the following: Under the flexibilization scheme, the thermal/ hydro generator (procurer) would be procuring RE power from the RE generator (who can be in any part of the country) for its beneficiary under existing PPA. It is presumed but may be clarified that in such cases that the thermal/ hydro generator is not liable to pay any transmission costs even though, he is the “procurer” under the afore-mentioned scheme.</p>	<p>paid by the ultimate beneficiaries – the DISCOMs who are the buyers of the bundled power. Hence the request for clarification.</p>