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Subject: **APP Comments** on Draft Connectivity and General Network Access Regulations

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Dear Sir,

Please find enclosed our **comments** on the Draft Connectivity and General Network Access Regulations

With regards,

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With best regards\*,\*

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## APP Comments on Draft Central Electricity Regulatory Commission

### (Connectivity and General Network Access to the Inter-State Transmission System) Regulations, 2021

S.no.	Reference	Provision as per Draft Regulation	Comments/ Suggestions
1.	<b><u>Regulation 2.1(ah)</u></b>	“Renewable Hybrid Generating Station” or “RHGS” means a generating station based on hybrid of two or more renewable source(s) of energy with or without Energy Storage System, connected at the same inter-connection point;	Renewable Hybrid Generating Station may have different locations of its wind, solar and energy storage system considering wide variation in CUF throughout the country for each source of energy. Accordingly, it should be permitted that such renewable hybrid generating stations with or without energy storage system may be connected at <b>same or different inter-connection point.</b>
2.	<b><u>Regulation 3.3</u></b>	3.3. Each application for <b>grant of GNA</b> shall be accompanied by a non-refundable application fee of Rs.5 lakh along with applicable taxes.	<ul style="list-style-type: none"> <li>• In the proposed Regulations, STUs are exempted from paying application fee for GNA whereas other applicants are required to pay application fee. Such discriminatory provisions are against natural justice and hence the same may be modified to make it consistent for all applicants STU and others.</li> </ul>

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		<p><b>Provided that no application fee shall be payable by the State Transmission Utilities while applying for GNA.</b></p>	<ul style="list-style-type: none"> <li>• Instead of a flat application fee of Rs 5 lakhs for GNA, the application fees should be as mentioned for LTA as per CERC (Grant of Connectivity, long term access &amp; medium term open access in the Interstate Transmission and related matters) Regulations 2009 i.e.               <ul style="list-style-type: none"> <li>○ Upto 100mw - 2 lakh;</li> <li>○ 100mw<math>\geq</math>500mw - 3 lakh;</li> <li>○ 500mw<math>\geq</math>1000mw - 5 lakh.</li> </ul> </li> </ul>
3.	<b><u>Regulation 3.5</u></b>	<p>The Nodal Agency shall intimate the deficiencies, if any, in the application for grant of Connectivity or grant of GNA, to the Applicant within one week of the receipt of application, in order of date and time of receipt of application. The Applicant shall rectify the deficiency within one week thereafter, failing which the application shall be closed and 20% of the application fee shall be forfeited. Balance 80% of the application fee shall be</p>	<p>The time period of 7 days for correcting any deficiency in the application for GNA is too short and the same may be increased to one month for an initial period considering the nuances which applicants may need to understand for the very first time. The same may be modified at a later date once the process is stabilized.</p>

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		refunded by the Nodal Agency to the Applicant within 15 days of closure of the application.	
4.	<b><u>Regulation 4.1</u></b>	The following entities shall be eligible as Applicants to apply for grant of Connectivity or for enhancement of the quantum of Connectivity:	It is submitted that the Regulations should clearly mention that generators who are already granted Connectivity to ISTS shall be deemed to be Connectivity Grantee under these Regulations and shall not be required to apply again for Connectivity.
5.	<b><u>Regulation 5.1</u></b>	An Applicant, which is a generating station including REGS, shall apply for grant of Connectivity to the Nodal Agency for the quantum equal to the <b>installed capacity</b> of the generating station:	The quantum for grant of Connectivity should be for the difference of the Installed Capacity and normative Aux. as that is the capacity corresponding to which power will flow through the ISTS.
6.	<b><u>Regulation 5.1</u></b>	Provided that if such an Applicant already has Connectivity to intra- State transmission system for part of its installed capacity, it may apply for Connectivity to the ISTS for a quantum not exceeding the balance of the installed capacity;	If such an applicant wishes to surrender its part or full connectivity of installed capacity with intra-state transmission system, the same should be allowed with a provision that an undertaking to this effect may be submitted along with the application.

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7.	<b><u>Regulation 5.2</u></b>	Notwithstanding anything contained in Regulation 5.1, a generating station, with prior approval of CTU, shall be eligible to add, within the quantum of Connectivity granted to it, additional generation capacity, including ESS, and for this purpose, the generating station shall apply to CTU,.....	<p>The Electricity Act, 2003 has de-licensed generation activity and does not require any prior permission to be taken by the generator. Therefore, the provision to take prior permission for additional generation capacity within the quantum of Connectivity granted is in violation of Section 7 of the Act.</p> <p><b>Accordingly, a generating station should be permitted to change source of power, change from generation to ESS, add/ change/ delete ESS or/ and generation source so long as the total quantum of connectivity remains same and no prior approval from CTU should be required.</b></p>
8.	<b><u>Regulation 5.6 &amp; 5.7</u></b>	5.6 An Applicant may apply for grant of Connectivity at (i) a terminal bay of an ISTS sub-station already allocated to another Connectivity grantee or (ii) switchyard of a generating station having Connectivity to ISTS, with an agreement duly signed between the Applicant and the said	Sharing of a dedicated transmission line will violate the definition of a dedicated transmission line. Further, it will also amount to carrying out transmission business without having a valid

S.no.	Reference	Provision as per Draft Regulation	Comments/ Suggestions
		<p>Connectivity grantee or the generating station having Connectivity to ISTS, as the case may be, for sharing the terminal bay or the switchyard and the <b>dedicated transmission lines</b>, if any. The applicable Connectivity Bank Guarantee as per Regulation 8 of these regulations shall be submitted by such Applicant.</p> <p>5.7 Two or more Applicants may apply for grant of Connectivity at a common terminal bay with an agreement duly signed by such Applicants for sharing the <b>dedicated transmission lines</b> and the terminal bay(s). The applicable Connectivity Bank Guarantee as per Regulation 8 of these regulations shall be submitted by each such Applicant.</p>	<p>transmission license. Accordingly, clarity may be provided for the same.</p>
9.	<b><u>Regulation 6.1</u></b>	<p>On receipt of applications for grant of Connectivity, the Nodal Agency shall carry out interconnection study as specified in the CEA Technical Standards for Connectivity along with requirement of augmentation to the existing ISTS,</p>	<p>It is submitted that the report of the interconnection study carried out by the Nodal Agency may be shared with the Connectivity Applicant to ensure selection of the optimum option for interconnection.</p>

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		if any, for enabling transfer of power over ISTS under General Network Access:	
10.	<b><u>Regulation 7.2</u></b>	In case the Nodal Agency, after the interconnection study undertaken in accordance with Regulation 6.1 of these regulations, determines that ATS is required, the Nodal Agency shall intimate in-principle grant of Connectivity to the Applicant within 60 days from the last day of the month in which the application had been received.	ATS may be required for immediate connectivity at pooling point or beyond the pooling point. In such cases where ATS is required beyond pooling point, connectivity may be allowed with provision to evacuate power under temporary GNA.
11.	<b><u>Regulation 8</u></b>	<p><b>Connectivity Bank Guarantee</b></p> <p><i>Connectivity BG1 – Rs. 50 Lakhs</i></p> <p><i>Connectivity BG2 – towards terminal bay(s) – Rs. 2 Crore to 12 Crore per bay (as per voltage level)</i></p> <p><i>Connectivity BG3 – Rs. 2 lakh/MW</i></p>	It is submitted that the amounts of Conn-BG1 , Conn-BG2 and Conn-BG3 are very high and may please be rationalized.
12.	<b><u>Regulation 8.2</u></b>	Provided that if the entity that has been intimated in-principle grant of Connectivity, (i) proposes to construct the terminal bay(s) on its own under Regulation 12.4 of these regulations, or (ii) seeks	In order to match the commissioning timelines of power plant with that of terminal bays, in case entity proposes to construct the terminal bays on its own the same should not be subject to any

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		<p>Connectivity at a terminal bay constructed or being constructed by another Connectivity grantee, or (iii) seeks Connectivity through electrical system or switchyard of a generating station, no Conn-BG2 is required to be furnished.</p>	<p>charges by the transmission licensee. Further, the interface drawings and data required by the entity to construct the terminal bays shall be provided immediately for construction purpose.</p>
<p>13.</p>	<p><b><u>Regulation 8.3</u></b> <b><u>(b)</u></b></p>	<p>The Nodal Agency, within 6 (six) months of furnishing of Conn-BG1 as per clause (a) of this Regulation, shall intimate to such entity, (i) amount of Conn-BG2 to be furnished towards ATS and terminal bay(s), which shall not exceed the estimated cost intimated under Regulation 7.2 of these regulations, (ii) the timeline for completion of ATS and terminal bay(s), and (iii) firm date of start of Connectivity:</p> <p>Provided that if such ATS and terminal bay(s) are planned for more than one entity, Conn-BG2 shall be furnished in proportion to the quantum of Connectivity applied for by such entities.</p>	<p>System strengthening is a multi - purpose exercise such as increasing ATS, correcting poor voltage profile, improving stability, adding resilience etc. Such activities may also benefit other entities which are not part of such ATS. The amount of bank guarantee should be determined on per MW basis considering the total evacuation capacity of all the substations for which the ATS along with terminal bays are proposed to be developed for such evacuation thereby including all the present and future possible entities utilizing such ATS. Such a mechanism would treat every connectivity grantee at par whereas the present regulation will</p>



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			<p>provide disadvantage to the early connectivity grantees for any particular substation.</p> <p>Further, clarity needs to be provided regarding the remedy if connectivity / GNA is not granted within the stipulated time. It is our suggestion that in case of delay by Nodal Agency beyond 6 months an appropriate penalty mechanism should be built-in to compensate for increase in IDC and any LD imposed by procurer for delayed COD due to non-availability of transmission system. Moreover, since the Application is withdrawn, the corresponding Application fee of Rs. 5 lakh should also be refunded.</p>
14.	<b><u>Regulation 8.3</u></b>	For cases covered under Regulations 7.2 (cases where ATS is required) of these regulations BG2 shall be equal to estimated cost of ATS and	Clarity may be provided whether Conn-BG3 is applicable for cases covered under Regulation 7.2, and if so, what would be the amount of Conn-BG3.

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		terminal bay(s), however there is no mention of BG 3 amount.	
15.	<b><u>Regulation 10.5</u></b>	Where Connectivity is granted at a proposed ISTS sub-station, the Nodal Agency, shall confirm the final coordinates within 2 months of signing of the Connectivity Agreement and such coordinates <b>shall not be outside the radius of 5 km of the tentative coordinates already intimated.</b>	It is submitted that in case the variation in radius due to the final co-ordinates for connectivity is more than 2 kms then it may substantially impact the cost towards right of way, erection etc. and lead to time overrun as well as cost overrun. Such cost escalation shall be considered under the connectivity agreement. Accordingly, the Regulations need to specify the compensation mechanism for recovery of such cost escalation in terms of this Clause in order to avoid unnecessary litigation in future.
16.	<b><u>Regulation 10.6</u></b>	In case of failure to sign the Connectivity Agreement by the entity that has been intimated final grant of Connectivity, as required under Regulation 10.3, the Nodal Agency may extend the time for signing the Connectivity Agreement for a maximum period of 30 days, failing which the final	It is submitted that when construction of ATS or terminal bays has been awarded for implementation but no construction work has commenced, both the BG-2 and BG-3 may be returned after deducting some notional penalty.

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		<p>grant of Connectivity shall be revoked by the Nodal Agency under intimation to the Applicant, and the Conn-BG1, Conn-BG2 and Conn-BG3 shall be encashed.</p>	
<p>17.</p>	<p><b><u>Regulation 10.7 &amp; 16.3</u></b></p>	<p>10.7 (iii) (c) Provision that in case of non-payment of transmission charges under Regulation 13 of the Sharing Regulations for more than 3 months from the due date, the same may be recovered by encashing Conn-BG1, Conn-BG2 and Conn-BG3, as required as per provision of Regulation 16.3 of these regulations.</p> <p>16.3. In case of non-payment of transmission charges under Regulation 13 of the Sharing Regulations for more than 3 months from the due date, such transmission charges shall be recovered by encashing Conn-BG1 (if subsisting), Conn-BG2 and Conn-BG3, as required. Connectivity shall be revoked from the date when Conn-BG2 is not</p>	<p>It is submitted that as per the proposed Regulations, the generating companies / injecting entities are not required to pay any transmission charges / GNA charges. Therefore, the connectivity BG which is given for construction of ATS and/or terminal bay by a generator should not be encashed in case a Discom/ buying entity defaults in payment of transmission charges.</p>

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		sufficient to cover transmission charges under Regulation 13 of the Sharing Regulations.	
18.	<b><u>Regulation 10.8</u></b>	Connectivity grantee shall submit a copy of the signed Connectivity Agreement to the RLDC, in whose control area it is located.	On submission of signed connectivity agreement to RLDC, the same should not be subject to any further revisions by RLDC for first charging purpose. Revisions proposed to signed connectivity agreement further delays the power evacuation of the entity. Hence, RLDC should be a part of the finalization process of the connectivity agreement in order to incorporate valuable suggestions of RLDC during execution of connectivity agreement.
19.	<b><u>Regulation 12.1</u></b>	In case Connectivity grantee is a generating station or a captive generating plant or a standalone ESS, the dedicated transmission lines shall be established, operated and maintained by such Connectivity grantee.	It is suggested that green energy corridors may be planned with pooling stations in RE rich areas. This shall enable RE power developer to develop dedicated transmission line with a length of around 30 to 40 km. A dedicated transmission line of more than 50 km is deterrent

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			for developer since it makes the RE power project techno-economically unviable. Hence, the proposed regulation may be modified so as to include development of dedicated line by transmission licensee in case the length of dedicated line is more than 50 km.
20.	<b><u>Regulation 12.4</u></b>	<p>The terminal bay(s) at the ISTS sub-station shall be under the scope of the transmission licensee owning the ISTS sub-station:</p> <p>Provided that the Connectivity grantee may, if it so chooses, construct and maintain the terminal bay(s) at its own cost by entering into an agreement with the transmission licensee owning the ISTS sub-station, subject to prior approval of the Nodal Agency:</p>	It is submitted that in case the Connectivity grantee constructs the terminal bays at its own cost then the Connectivity grantee should be also allowed to carry out the O&M of the bay.
21. 3	<b><u>Regulation 15.1</u></b>	A Connectivity grantee shall not transfer, assign or pledge its Connectivity and the associated rights	There may be cases where in order to leverage synergies and collate similar business within a

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		<p>and obligations, either in full or in parts, to any person except as provided under Regulations 15.2 and 15.3 of these regulations.</p> <p>Provided that Connectivity granted to a parent company may be utilized by its subsidiary and Connectivity granted to a subsidiary may be utilized by its parent company.</p>	<p>Group of Companies, the connectivity grantee company may get merged with another company having same parent company. Such transactions should be permitted and the referred regulation may be modified accordingly so as to include merger of two companies having the same parent company.</p> <p>Further, the utilization of Connectivity granted may be allowed within subsidiary, affiliate and parent company.</p>
22.	<p><b><u>Regulation 17.1</u></b> <b><u>(iii)</u></b></p>	<p><b>Eligibility of GNA:</b></p> <p>iii) A distribution licensee or a Bulk consumer, seeking to connect to ISTS, directly, with a load of 50 MW and above</p>	<p>The restriction of minimum load of 50 MW may be revisited as it would be at variance with the objectives of the Electricity Act, 2003 to the extent that it does not provide for non-discriminatory OA to consumer having demand above 1 MW.</p>

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			Moreover, the proposed clause also does not provide any option for such consumers having load less than 50 MW and are ready to install dedicated line for connectivity at direct Inter-State Transmission System.
23.	<b><u>Regulation 17.1</u></b> <b><u>(iv)</u></b>	<b>Eligibility for GNA:</b>  (iv) Trading licensees engaged in cross border trade of electricity in terms of the Cross Border Regulations;	In cross border transactions, in case a generator desires to supply power directly to a buyer in another country or a buyer wants to avail power supply from a generator located in another country directly, then clarity needs to be provided as to which agency needs to be approached for the same and what shall be the timelines for the necessary approvals.
24.	<b><u>Regulation 17.1</u></b> <b><u>(v)</u></b>	<b>Eligibility for GNA:</b>  (v) Transmission licensee connected to ISTS for drawal of auxiliary power.	This provision may be clarified as to why a transmission licensee connected to ISTS system would require to draw power for auxiliary power.
25.	<b><u>Regulation 18.1</u></b> <b><u>(f)</u></b>	Entity(ies) covered under Regulation 4.1 of these regulations where Long Term Access granted to	<ul style="list-style-type: none"> <li>Entities covered under Regulation 4.1 refer to generators with already installed</li> </ul>

S.no.	Reference	Provision as per Draft Regulation	Comments/ Suggestions
		<p>such entity or to its identified buyer, under the Connectivity Regulations has become effective, shall be deemed to have been granted GNA equal to the quantum of such Long term Access, under these regulations.</p>	<p>capacities. The Regulations need to clarify the mechanism of grant of GNA for a new generator.</p> <ul style="list-style-type: none"> <li>• In case the long term access has been granted to generation project developer based on target beneficiaries then the same shall also be deemed to have been granted GNA equal to the quantum of such long term open access. In such cases, clarity may be provided as to who will bear the liability of transmission charges in such cases.</li> <li>• Also, in line with the Ministry of Power's order dated 30<sup>th</sup> November 2021, a provision for extension in commencement date and duration of GNA should be made applicable for RE generation capacities which are granted extension in CoD by competent authority.</li> <li>• Similarly, in line with the bidding guidelines notified by Ministry of Power, the RE power</li> </ul>



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			<p>developer should be allowed to commission its power plant in parts, earlier than the scheduled commissioning date and that the commencement date of GNA should be preponed accordingly.</p>
26.	<p><b><u>Regulation 22.2</u></b> <b><u>(d)</u></b></p>	<p><b>22.2. Grant of GNA to entities other than STU</b></p> <p>(d) Entities covered under Regulation 4.1 and clause (iii) of Regulation 17.1 of these regulations shall furnish one-time GNA charge for Rs. One lakh per MW for the quantum of GNA one month prior to the start date of GNA. In case, such charges are not furnished by the entity within the specified timeline, the same shall be recovered by encashment of Conn- BG1, Conn-BG2 and Conn-BG3 as required. The proceeds of such one</p>	<p>Clarity is required as to whether the one-time GNA charge of Rs. 1 lakh/MW shall be applicable to existing generators who are already operational. There appears to be no rationale for levying such charge on them merely because of change in regulatory framework.</p>
27.	<p><b><u>Regulation 23.1</u></b></p>	<p>23.1. An entity covered under Regulation 17.1 which is a GNA grantee, may authorise other</p>	<p>It is submitted that where payment of transmission charges is the responsibility of the</p>

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		<p>entities covered under Regulation 17.1 which are GNA grantee(s), to use its GNA, in full or in part, with prior approval of the Nodal Agency, for a period not exceeding 1 (one) year at a time on mutually agreed terms and conditions:</p> <p>Provided that payment liability for transmission charges shall continue to be with the original GNA grantee that authorised its GNA to be used by other GNA grantee(s):</p> <p>Provided further that for the purpose of calculating the transmission deviation charges under the Sharing Regulations, GNA authorised to be used by other GNA grantee(s) shall be reduced from original GNA grantee that authorised its GNA to be used by other GNA grantee(s) and shall be added to GNA of other GNA grantee(s) which is using it.</p>	<p>generator in the current dispensation, such generators should also be allowed to transfer their GNA to the buyer.</p> <p>Accordingly, the following change may be carried out in regulation 23.1:</p> <p><i>23.1. An entity covered under Regulation 17.1 <b>or</b> <u>4.1</u> which is a GNA grantee, may authorise other entities covered under Regulation 17.1 <b>or</b> <u>4.1</u> which are GNA grantee(s), to use its GNA, in full or in part, with prior approval of the Nodal Agency, for a period not exceeding 1 (one) year at a time on mutually agreed terms and conditions:</i></p> <p><i>Provided.....</i></p>

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28. 4	<b><u>Regulation 24.2 &amp; 24.3</u></b>	<b>Encashment of BGs on relinquishment of part or full Connectivity</b>	In case of relinquishment of Connectivity in part or in full, the BGs should be not be encashed if such terminal bay / ATS is to be / being utilized by some other entity as they will also be paying the cost of terminal bay / ATS or if it is being recovered through pool mechanism under sharing regulation. Therefore, even in such cases, the BGs may be returned after deducting a notional penalty.
29. 5	<b><u>Regulation 25.1 (a)</u></b>	<b>Relinquishment of GNA</b> For an entity covered under clause (i) of Regulation 17.1 of these regulations, STU may relinquish GNA on behalf of identified intra-State entity. The relinquishment charges shall be equal to <b>60 times the transmission charges paid by such intra-State entity for the last billing month under the Sharing Regulations</b> , corresponding to the relinquished quantum.	In case an entity has completed 5 years from the date of grant of LTA, no relinquishment charges should be levied. In case less than 5 years are completed from the grant of LTA then relinquishment charges for the balance period upto 5 years may be levied.

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30.	<b><u>Regulation 36.1</u></b>	<p><b>36. Allocation of Transmission Corridor</b></p> <p>36.1. GNA grantee shall be eligible to schedule power within the GNA granted to it under any contract subject to conditions specified in the Grid Code:</p> <p>Provided that in case of constraint in transmission system, the available transmission corridor shall be allocated to the GNA grantees in proportion to their GNA within the region or from outside region and the GNA grantee shall be eligible to schedule power under any contract within such allocated transmission corridor.</p>	<ul style="list-style-type: none"> <li>• The concept of GNA means complete flexibility to a buyer to buy power from any generator and a generator to supply power to any buyer from its generating station. In other words, the premise of GNA is transfer of power without any transmission constraints. At present the draft does not provide clarity in terms of which agency would be responsible to eliminate transmissions constraints and in what timelines. Accordingly, the Commission should provide ample clarity on this issue.</li> <li>• It is submitted that the SLDC / RLDC shall declare in advance the details of booked as well as surplus transmission capacity / corridor availability.</li> </ul>
31. 6	<b><u>Regulation 36.6</u></b>	36.6. After the allocation of transmission corridors under Regulations 36.1 to 36.4, the balance transmission corridor may be utilised by GNA grantee by way of revision of schedule, as	Clarity is required in case a buying entity (GNA holder) needs to revise its schedule (for increased drawal requirement) and if

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		stipulated in the Grid Code, under any contract within its GNA or under Exigency application category or Real time market based on time stamp for such request.	transmission corridor is unavailable, then what would be the treatment.
32. 7	<b><u>Regulation 37.3</u></b> <b><u>(2) (b)</u></b>	<p>(a) The entity shall have the option of, either (i) to convert the Long term Access granted under the Connectivity Regulations as GNA under these Regulations, or (ii) to surrender such Long term Access.</p> <p>(b) Option under clause (a) of this Regulation shall be exercised by the entity within one month of coming into effect of these Regulations, failing which such Long term Access granted under the Connectivity Regulations shall be considered as surrendered.</p>	As this is a complete change in the regulatory framework, CTU should give a two month termination notice after completion of one month from notification of regulations instead of automatic surrender of LTA.
33. 8	<b><u>Regulation 37.6</u></b>	37.6. If Connectivity granted in accordance with the Connectivity Regulations is effective and Long term Access has either not been granted for any	The purpose of these BGs is NOT to have a Payment Security Mechanism in place for the injecting entities since as per Regulation 40, the

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		<p>capacity or has been granted for full/part capacity which has become effective as on the date of coming into effect of these Regulations, the following shall apply:</p> <p>(1) Entities covered under Regulation 4.1 of these regulations, which have not been granted Long Term Access for any capacity or granted Long term access for part of the capacity qua the Connectivity quantum under the Connectivity Regulations, may apply for additional GNA for balance quantum of Connectivity under Regulation 17.2 of these regulations. The same shall be processed by the Nodal Agency as under:</p> <p>(a) In case additional GNA as applied for under Regulation 17.2 can be granted on existing transmission system, the Nodal Agency shall grant such additional GNA on furnishing Conn-BG3 @</p>	<p>injecting entities are not required to pay any transmission charges and losses for use of the ISTS and the transmission charges and losses shall be shared among the buying entities only. Further, these BGs are encashable only in the event of relinquishment/ surrender of Connectivity with-in 5 Yrs of COD of the generating station.</p> <p>As evident from the above, the limited purpose to seek these BGs is to ensure seriousness of the project developers to set-up the generating stations in timely basis and to filter-out non serious players/ minimize the scope of project abandonment. Once a generating station achieves COD and operates for a period of 5 Yrs thereafter, the entire BGs shall be returned. As such, the draft Regulations duly acknowledges post COD operation of 5 Yrs as a benchmark to assess the seriousness of the project developers.</p>

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		<p>Rs.2 lakh/MW. Conn-BG3 shall be returned in five equal parts over the next five years starting from the year when such GNA becomes effective or in accordance with Regulation 16.2 of these regulations,</p> <p>whichever is later.</p> <p>.....</p> <p>(2) Entities covered under Regulation 4.1 of these regulations which have been granted Long Term Access to the target region, shall furnish Conn-BG3 @ Rs. 2 lakh/MW. On furnishing such Conn-BG3, these entities shall be treated as Connectivity grantee under these regulations having GNA corresponding to such Long term access. Conn-BG3 shall be returned in five equal parts over the next five years starting from the year when such GNA becomes effective or in accordance with Regulation 16.2 of these regulations, whichever is later.</p>	<p><b>In view of the above, for the existing generating stations who are already under operation for more than 5 Yrs, there is no rationale in submission of fresh BGs towards enhancement of their existing operational Connectivity and/ or towards deemed conversion of existing LTA (granted on Target Region) in GNA as also towards fresh GNA for the balance capacity, since these generating stations have already demonstrated seriousness and hence the very objective towards submission of BGs (Conn-BG1, Conn-BG2 and Conn-BG-3) has already been met.</b></p> <p><b>In view of above, it is earnestly requested that the requirement of submission of fresh BGs towards (a) enhancement of their existing operational Connectivity and/ or (b) towards</b></p>

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			<p><b>deemed conversion of existing LTA (granted on Target Region) in GNA as also towards fresh GNA for the balance capacity by the generating stations who are under operations for more than 5 Yrs be done away with while finalizing these Regulations.</b></p>
34.	<b><u>Regulation 37</u></b>	<b>Arrangement for Transition</b>	<p>For the existing generating stations which shall be applying afresh for the enhancement of Connectivity and also for GNA corresponding to the balance generation capacity not currently having LTA, processing of these applications may take 2 months in case no system augmentation is required and may require more time if augmentation of transmission system is required. However, according to the Draft Regulations, such generating stations will not be able to schedule/ inject power more than the existing Connectivity and LTA till the time additional Connectivity and GNA are granted.</p>



S.no.	Reference	Provision as per Draft Regulation	Comments/ Suggestions
			<p><b>This may lead to a precarious situation of bottling of generation capacities for a substantial period. To address this genuine threat, it is requested that suitable provisions be made in the Regulations to permit injection/ scheduling of the quantum up-to the installed capacity by the existing generating stations till the time both these additional Connectivity and GNA are made operational, provided such generating stations make applications for grant of additional Connectivity and GNA for the balance capacity within say 2 months of these Regulations coming into force.</b></p>
35.	<b><u>Regulation 40.1</u></b>	<p><b>40. Payment of transmission charges</b></p> <p>40.1. The transmission charges and losses for use of the inter-State transmission system shall be</p>	<ul style="list-style-type: none"> <li>• It is submitted that where payment of transmission charges is the responsibility of the generator in the current dispensation, the mechanism for shifting responsibility and</li> </ul>

S.no.	Reference	Provision as per Draft Regulation	Comments/ Suggestions
		shared among buying entities of ISTS in accordance with the Sharing Regulations.	<p>liability of the transmission charges to the buying entity may be specified.</p> <ul style="list-style-type: none"> <li>• Further, the waiver in payment of transmission charges and losses granted to RE generators and buyers by the MoP may be appropriately extended in the proposed GNA regulations also.</li> </ul>
36.	<b><u>Regulation 40.3</u></b>	40.3. The fees and charges for National Load Despatch Centre, Regional Load Despatch Centres (including the charges for Unified Load Despatch Scheme) and State Load Despatch Centres shall be payable by the GNA grantees as per the applicable Regulations.	It may be clarified whether generators as GNA grantees are also required to bear NLDC, RLDC, SLDC fees and charges etc.
37.	<b>Additional Comment</b>		In instances where a generator is ready but the transmission system is not ready and vice versa, the proposed draft does not provide clarity as to how the affected party shall be compensated. Abundant clarity needs to be provided by the Commission in order to avoid future litigation.

S.no.	Reference	Provision as per Draft Regulation	Comments/ Suggestions
38.	Additional Comment		<p>The proposed GNA Regulations have interlinkages to the CERC Sharing Regulations as well as the IEGC (Grid Code). Therefore, all the regulations that are impacted by the GNA Regulations may also be suitably amended simultaneously to avoid any confusion.</p>