



Abhishek Rohilla <cerc.abhishek@gmail.com>

Fwd: Comments on Draft CERC (Connectivity and General Network Access to the inter State Transmission System) Regulations, 2021on behalf of Haryana utilities.

1 message

Abhishek Rohilla <abhishek.rohilla@delhi.gov.in>
To: cerc abhishek <cerc.abhishek@gmail.com>

26 February 2022 at 08:29

Regards,
Abhishek Rohilla
Dy. Chief (Engg.)
Central Electricity Regulatory Commission
3rd Floor, Chanderlok Building,
36, Janpath, New Delhi-110001

Mb. 9643439120

----- Forwarded Message -----

From: "Shilpa Agarwal" <shilpa@cercind.gov.in>
To: "Abhishek Rohilla" <abhishek.rohilla@gov.in>, "Ratnesh Kumar" <ratnesh.cea@gov.in>
Sent: Friday, February 25, 2022 7:19:56 PM
Subject: Fwd: Comments on Draft CERC (Connectivity and General Network Access to the inter State Transmission System) Regulations, 2021on behalf of Haryana utilities.

----- Forwarded Message -----

From: Cehppc@uhbvn.org.in
To: Sanoj Kumar Jha <secy@cercind.gov.in>, Shilpa Agarwal <shilpa@cercind.gov.in>
Sent: Fri, 25 Feb 2022 18:27:43 +0530 (IST)
Subject: Comments on Draft CERC (Connectivity and General Network Access to the inter State Transmission System) Regulations, 2021on behalf of Haryana utilities.

Sir/Mam,

Enclosed please find herewith the comments on behalf of Haryana utilities on the subject cited draft CERC regulation. However. it is also requested to allow to submit additional comments, if any.

regards,
Chief Engineer/HPPC
(Haryana Power Purchase Centre)
Shakti bhawan, Sector-6,
Panchkula-134112

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HPPC Comments on Draft Central Electricity Regulatory Commission (Connectivity and General Network Access to the inter-State Transmission System) Regulations, 2021.

Clause/ Ref. Page	Existing Clause in Petition	Remarks
2. Definitions	2 (v) "intra-State entity" means a person whose metering is done either by the State Transmission Utility or the Distribution Licensee, as the case may be, and energy accounting is done by the State Load Despatch Centre or any other agency so authorized;	a) It is submitted that in the proposed regulations the definition of intra-state entity is "a person whose metering is either by the State Transmission Utility or the Distribution Licensee". b) It seems that all consumers are eligible for Intra-state open access can apply for GNA. Therefore, we request the Hon'ble Commission to provide more clarity on this aspect.
3. Application for Grant of Connectivity and GNA	<p>3.2. Each application for grant of Connectivity shall be accompanied by a non-refundable application fee of Rs.5 lakh along with applicable taxes.</p> <p>3.3. Each application for grant of GNA shall be accompanied by a nonrefundable application fee of Rs.5 lakh along with applicable taxes.</p>	<p>HPPC Comments- Non-refundable application fee should be brought down to Rs. 3 Lakh along with applicable taxes.</p>
4. Eligibility For Connectivity To ISTS	(d) Renewable Power Park Developer;	<p>HPPC Comments – The Regulation need to clarify the minimum MW capacity of a Renewable Park Developer for being eligible to seek connectivity to ISTS.</p>
5.1 Application for Grant of Connectivity	5.1 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 installed capacity of the generating station	<p>HPPC Comments – It is submitted that Maximum injectable capacity of a generator is Installed Capacity minus Auxiliary consumption. Hence it is requested to modify the clause as below: <i>"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 installed capacity of the generating station less auxiliary consumption"</i> It is submitted that if the transmission line is created for the Installed capacity, then cost of the transmission system would increase and the end Drawee entity such as the DISCOM would have to pay the additional</p>

		cost. ISTS charges would increase due to increase in redundancy of ISTS, which would ultimately be borne by DISCOMs.
5.3 Application for Grant of Connectivity	5.3. An Applicant, which is a captive generating plant, shall apply for grant of Connectivity for a quantum of its proposed maximum injection to ISTS.	HPPC Comments: In this regard, it is submitted that the Regulation is framed assuming that the captive generating plant will be only exporting power, however, there is no mechanism provided for drawl of incidental power by such captive generator from the grid after grant of GNA. Hon’ble CERC may devise necessary mechanism specifying treatment for drawl of incidental power by such captive generator from the grid.
5.5 Application for Grant of Connectivity	5.5 An Applicant, which is a Renewable Power Park Developer, shall apply for grant of Connectivity for the quantum for which it has been authorised by the Central Government or a State Government as a Renewable Power Park developer	HPPC Comments – It is submitted that additional provision may be included in the clause 5.5 stating that if the authorised quantum /capacity of the Renewable Park notified by Central /state Government is not commissioned within the stipulated time period, then in such case the transmission charges for the ISTS network shall be borne by renewable park developer as per existing CERC sharing regulations,2020.
15. Transfer of Connectivity	15.1. A Connectivity grantee shall not transfer, assign or pledge its Connectivity and the associated rights and obligations, either in full or in parts, to any person except as provided under Regulations 15.2 and 15.3 of these regulations. Provided that Connectivity granted to a parent company may be utilized by its subsidiary and Connectivity granted to a subsidiary may be utilised by its parent company.	HPPC Comments- Proviso to Article 15.1 allows to utilize granted connectivity interchangeably between parent company and its subsidiaries. It is requested that the transferability of connectivity shall be limited to the parent company and its 100% subsidiary/ies only and not to any other subsidiary which is partially owned by the parent company. It is therefore requested that the proviso may include the term ‘100% subsidiary’ in place of the term ‘subsidiary’. The proviso of Article 15.1 is requested to modify as per the following: <i>“Provided that Connectivity granted to a parent company may be utilized by its 100% subsidiary and Connectivity granted to a 100% subsidiary may be utilised by its parent company”</i>
17 Eligibility for GNA	17.1. The following entities shall be eligible as Applicants to apply for grant of GNA or for enhancement of the quantum of GNA:	HPPC Comments – It is submitted that while giving connectivity to Bulk consumers to connect to the ISTS system, the entire cost required for setting up necessary infrastructure including dedicated transmission line

	<p>(i) State Transmission Utility on behalf of distribution licensees connected to intra-State transmission system and other intra-State entities;</p> <p>(ii) A buying entity connected to intra-State transmission system;</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>(iv) Trading licensees engaged in cross border trade of electricity in terms of the Cross Border Regulations;</p> <p>(v) Transmission licensee connected to ISTS for drawal of auxiliary power</p>	<p>shall be borne entirely by the Bulk consumer and none of the cost of such transmission network shall be recovered from other consumers connected to ISTS system.</p> <p>It is requested to define the term ‘buying entity’ specified in sub-clause (ii) of Clause 17.1 and to also define the minimum load for ‘buying entity’ under this clause to make it eligible for connectivity to ISTS.</p>
17 Eligibility for GNA	<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>HPPC Comments -It is submitted that in view of the obligation on local DISCOM to make available power supply to consumer on request and to mitigate the current level of cross subsidization in the tariff structure for making available the power supply at reasonable rate to vulnerable section of society, E.A.2003 provides for levy of Cross Subsidy Surcharge and Additional Surcharge by DISCOM on the purchase of power from the sources other than the local DISCOM. These charges are compensatory in nature to compensate local DISCOMs towards the loss of cross subsidy revenue and to mitigate the stranded generating cost respectively due to choice of consumer to purchase power from sources other than local DISCOM. However, it has been experienced that when a Bulk Consumer is allowed to connect directly to ISTS network, such consumer are avoiding payment of Cross Subsidy Surcharge and Additional Surcharge by DISCOM.</p> <p>Accordingly, Hon’ble Commission is requested that in case direct connectivity to ISTS network is allowed to a Bulk consumer, a specific provision may be incorporated in the Regulation to the effect that such Bulk consumer who have been granted direct connectivity to ISTS network shall be liable to pay Cross Subsidy Surcharge and Additional</p>

		Surcharge as may be determined by the respective State Regulatory Commission from time to time.										
18 Deemed Grant of GNA	<p>18.1 On the date, these regulations come into force, (a) GNA for a (i) State including intra-State entity(ies) and (ii) other drawee entities, shall be the average of ‘A’ for the financial years 2018-19, 2019-20 and 2020-21:</p> <p>where, ‘A’ = {0.5 X maximum ISTS drawal in a time block during the year} + {0.5 X [average of (maximum ISTS drawal in a time block in a day) during the year]}</p>	<p>HPPC Comments – It is submitted that the formula specified in the clause is derived based on the drawal of each state from ISTS which includes the following components</p> <ol style="list-style-type: none"> 1. LTA from conventional sources 2. Inter State RE contract 3. Bilateral and Collective Transactions of all Intra state entities <p>It is submitted that due to the presence of above components in the maximum drawl of the State, the GNA worked out as per the formula specified in Clause 18.1 can be either higher or lower as compared to the LTA considered in deriving the transmission charges as per the CERC (Sharing of Inter-State Transmission Charges and Losses) Regulations, 2020.</p> <p>The deemed GNA of Haryana, as per formula proposed in Regulation 18.1(a) of the 2021 draft GNA Regulations is derived as 6913 MW. Considering that M/s Adani Power (Mundra) Limited is responsible for payment of charges corresponding to 1495 MW, the same has been proposed to be deducted and accordingly deemed GNA of Haryana shall be considered as 5418 MW (6913 MW minus 1495 MW)</p> <table border="1" data-bbox="1247 972 1820 1187"> <tr> <td>LTA allocated to Haryana from conventional sources</td> <td>3719 MW</td> </tr> <tr> <td>Aravali</td> <td>693MW</td> </tr> <tr> <td>BBMB</td> <td>846MW</td> </tr> <tr> <td>RE connected to ISTS</td> <td>160MW</td> </tr> <tr> <td>TOTAL</td> <td>5418MW</td> </tr> </table> <p>From the above table, it is clear that Aravali ,BBMB and RE energy is accounted in the Deemed GNA for Haryana .However, both Aravali and BBMB are shared projects and power is evacuated through Haryana STU lines and no POC transmission charges are payable as per current</p>	LTA allocated to Haryana from conventional sources	3719 MW	Aravali	693MW	BBMB	846MW	RE connected to ISTS	160MW	TOTAL	5418MW
LTA allocated to Haryana from conventional sources	3719 MW											
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		<p>Sharing regulations,2020. Hence, it is proposed that share of Haryana from Aravali IGSTPS,Jhajjar (693MW) & BBMB (846MW) must be deducted from the deemed GNA to be allocated to Haryana.</p> <p>Also, as per the CERC (Sharing of Inter-State Transmission Charges and Losses) Regulations, 2020, Inter State transmission charges are applicable based on the existing LTA from non-RE sources, whereas transmission POC charges for RE projects are covered under national component (NC-RE). Hence, GNA (in MW) w.r.t RE ISTS Connected projects from whom Haryana is getting power shall be deducted from the deemed GNA of Haryana.</p> <p>Hence, it is proposed that deemed GNA of Haryana to be allocated (5418-693-846-160) 3719 MW.</p> <p>Further it is suggested that deemed GNA shall be equal to LTA allocated to Haryana shall form the basis for raising bills under CERC Sharing Regulations,2020.</p>
18 Deemed Grant of GNA	(c) GNA for a State including intra-State entity (ies) as per clause b of this Regulation shall be deemed to have granted to STU of that State on behalf of such intra-State entities and remain valid until relinquished in accordance with these Regulations	<p>It is suggested that the Distribution Licensees shall be provided with sufficient time for downward revision of allocation of deemed GNA if any under these Regulations up to their non-RE LTA quantum. It is requested to add the following phrase in Clause 18.1 (c)</p> <p><i>(c)GNA for a State including intra-State entity (ies) as per clause b of this Regulation shall be deemed to have granted to STU of that State on behalf of such intra-State entities and the intra-State entities shall be provided a time period of three months from the notification of these Regulation for downward revision of notified GNA up to the non-RE LTA quantum of the Distribution Licensee and it shall remain valid until relinquished in accordance with these Regulations</i></p>
18 Deemed Grant of GNA	18.1 (e) GNA deemed to have been granted to STU under clause(d) of this Regulation, shall be segregated for each intra-State entity, including distribution	<p>HPPC Comments- The methodology of segregation of GNA deemed to be granted to STU shall be defined in these Regulation and shall be based on the basis of non-RE LTA and RE LTA.</p>

	<p>licensee, by the respective SLDC, and intimated to STU, Nodal Agency and NLDC within 1 month of publication of details by the Nodal Agency under clause (d) of this Regulation.</p> <p>Provided that in case an SLDC fails to provide such segregation, the pro rata GNA shall be allocated to each intra-State entity in the ratio of their Long Term Access and Medium Term Open Access, as included in the first bill raised in the previous month under the Sharing Regulations.</p>	<p>In case of continuous failure of SLDC to provide such segregation within the stipulated timeline, then in such case the segregation shall be notified by STU.</p>
<p>19 Application for Grant of additional GNA by STU</p>	<p>19.1 Within 3 months of coming into force of these regulations, STU may, on behalf of intra-State entities including distribution licensees, apply for additional GNA over and above the GNA deemed to have been granted under clauses (a) to (e) of Regulation 18.1 of these regulations, with entity-wise segregation indicating GNA within the region and from outside the region</p> <p>19.2 STU, on behalf of intra-State entities including distribution licensees, may apply, once in a financial year (starting from the financial year following the financial year in which these regulations have become effective) by the month of September each year, for additional GNA for the next 3 (three) financial years, with entity-wise segregation indicating GNA within the region and from outside the region, as stipulated in the Detailed Procedure for Connectivity and GNA issued in accordance with Regulation 39.1</p>	<p>HPPC Comments – It is submitted that there should be some limitation on the time period for applying for GNA over and above the GNA deemed to be granted under Regulation 18.1. Approval for additional GNA may be sought immediately from the date of effect of this Regulations and depending on the requirements of the Licensees. Hence the condition for applying for additional GNA only after 3 months may be deleted.</p> <p>Also the option to apply for additional GNA may be allowed on seasonality basis (i.e. at least three times a year) since variation in demand is majorly due to seasonality changes. Further, the period for applying for additional GNA can be kept in the range from one year to three years. It is submitted that providing flexible options to STU for applying to additional GNA and period of GNA would help in better planning and cost optimization.</p>

22. Grant of GNA	22.1 (d) Intra-State entity-wise GNA deemed to have been granted to STU under Regulation 19.1 and additional GNA granted under this Regulation shall form the basis for raising the bills under the Sharing Regulations to such intra-State entities.	<p>HPPC Comments- It is requested to revise the clause 22.1 (d) as per the following</p> <p><i>(d) Intra-State entity-wise GNA deemed to have been granted to STU under non-RE LTA under Regulation 19.1 and additional GNA for non-RE granted under this Regulation shall form the basis for raising the bills under the Sharing Regulations to such intra-State entities.</i></p>
23 Use of GNA by other GNA grantee(s)	<p>23.1. An entity covered under Regulation 17.1 which is a GNA grantee, may authorise other 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>HPPC Comments – It is a welcome move to allow GNA grantee to authorise other GNA grantees to use its GNA, in full or in part, with prior approval of the Nodal Agency. However, in the proviso of the said clause it is mentioned that the payment liability for transmission charges shall continue to be with the original GNA grantee.</p> <p>It is submitted that payment liability for transmission charges shall also be transferred to the GNA grantee who is utilising the GNA. As mentioned in the clause 23.1, GNA can only be transferred to other GNA grantees which are eligible under Regulation 17.1. Hence, the Nodal agency shall have all the payment security mechanism in place for the other GNA grantee to whom the GNA is transferred by original GNA grantee. Hence there is no point in keeping the payment liability of transmission charges with the original GNA grantee if the rights to use the GNA are already transferred to other GNA grantee. This would also streamline the payment mechanism.</p>
25 Relinquishment of GNA	<p>25.1. For an entity covered under Regulation 17.1, GNA once granted can be relinquished, in full or in part, on payment of relinquishment charges in advance as per following:</p> <p>(a) 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 60 times the transmission charges paid by such intra-State entity for the last billing month under the Sharing</p>	<p>HPPC Comments –</p> <p>The relinquishment charges shall be made applicable on the transmission charges paid by the GNA grantee for the average of last 12 months instead of the last billing month. This would ensure that sufficient charges are recovered in case the last billing month falls in off-peak period.</p> <p>It is submitted that in an event of expiring of any PPA of the Distribution Licensee with the generator, the quantum of which is already part of deemed GNA, then in such case such quantum shall automatically get relinquished from the total deemed GNA without any relinquishment</p>

	Regulations, corresponding to the relinquished quantum.	charges to be applied for the Distribution Licensee. It is requested to kindly insert provision stating the above submission in the relevant clause.
28 Application for grant of T-GNA	28.8 The application fees in case of rejection of application for T-GNA shall be forfeited	HPPC Comments – It is submitted that granting of T-GNA depends on various factors as mentioned in these Regulations including network availability, verification of Nodal Agency and priority to GNA grantees over T-GNA. Therefore, in case of rejection of application for T-GNA, it would not be appropriate to forfeit the application fees of T-GNA as allocation of the same is not entirely in the hands of the applicant. The application fees shall therefore be refunded to the applicant in such case.
32 Revision of T-GNA	<p>32.1 T-GNA granted under Exigency application category or under Advance application category for a period not exceeding one month cannot be revised</p> <p>32.2 T-GNA granted under Advance application category for a period of more than one month may be reduced for the balance period with a prior notice of one (1) month by the T-GNA grantee:</p> <p>Provided that applicable T-GNA charges for the quantum of T-GNA granted shall be payable for the notice period of one (1) month.</p>	<p>HPPC Comments – It is submitted that the existing provisions of Regulation 14 of Open Access Regulation 2008 amended from time to time provides for revision of schedule after a period of expiry of minimum two days. Hence it is therefore requested to retain the existing provisions and provide for revision of schedule under advance application category of T-GNA after a minimum period of three days including the date of application.</p> <p>It is further submitted that T-GNA under advance application are applied for a very short/brief period to respond to unexpected emergency situations. Hence it would not be appropriate to levy the charges of T-GNA for an entire month if the requirement is only for a few days. Further Regulation 14 (2) of the existing Open Access Regulation 2008 amended from time to time provides for the following clause</p> <p><i>2) The person seeking cancellation or download revision of short term open access schedule shall pay the transmission charges for the first two days of the period for which the cancellation or downward revision of schedule as the case may be has been sought.</i></p> <p>It is therefore requested to accordingly modify the said clause by allowing</p>

		the transmission charges to be paid for T-GNA only for first two days from the date of revision of T-GNA and reimburse the balance transmission charges corresponding to the difference between the original quantum and revised quantum for the downward revision period.
34 Transmission charges for T-GNA	34.2 Transmission charges for T-GNA, in case of bilateral and collective transactions, shall be payable only at point of drawal, as per the last published Transmission charge rate for T-GNA for the State where such point of drawal is located	<p>HPPC Comments – It is submitted the existing Sharing Regulation 2020 provides that no charges shall be payable for short term open access in case the distribution licensee has Long Term Access or Medium Term Open Access or both.</p> <p>It is suggested that distribution licensee with existing long or medium term access or both and having deemed GNA granted under Clause 17.1 of the draft Regulations, may not be charged T-GNA transmission charges for collective and bilateral transactions.</p>
34 Transmission charges for T-GNA	34.4 (b) Transmission charges for T-GNA under Exigency application category shall be deposited along with the application. In case the Exigency application is approved for part of applied quantum or part of applied period is rejected, the corresponding transmission charges shall be returned by the next day from the date of approval	<p>HPPC Comments – It is submitted that applying for T-GNA under exigency application is a very hasty decision and only arise in unexpected and emergency situations. Under such situations, it would be difficult for the T-GNA grantee to deposit the transmission charges upfront in advance at the time of application. Further, in case of government entities, the authorisation for deposition of transmission charges may not be available with the operational staff who is responsible for submitting the application for T-GNA. Also, such application may not be necessarily placed only during office hours. Hence, it is requested that the transmission charges may not be deposit upfront in advance for such applications. The T-GNA grantee shall pay the transmission charges only within three days from the date of approval of T-GNA under such exigency application.</p> <p>It is requested to therefore modify the clause 34.4 (b) accordingly.</p>

34 Transmission charges for T-GNA	(d) In case any scheduling request under T-GNA is not approved by RLDC on day ahead basis or curtailed for the reasons of transmission constraints or grid security, the transmission charges for such quantum not scheduled or curtailed shall be refunded to the T-GNA grantee. Provided that non-availability of Standing Clearance shall not be treated as constraint in transmission system.	HPPC Comments – It is suggested that a proviso to clause 34.4 (d) shall be added stating that in case a certificate is provided by the SLDC that the Standing Clearance is not available due to transmission constraint then the same shall be treated as constraint in the transmission system and accordingly charges for T-GNA shall be refunded.
Additional Submission	Additional Submission	HPPC Comments – It is submitted that the CERC Sharing Regulation 2020 provides for reimbursement of short term open access transmission charges to the DICs in proportion of their share in first bill in the following billing months. The relevant clause in CERC Sharing Regulations 2020 is reproduced as below. <i>(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.</i> It is therefore requested to kindly add the said clause under Clause 34.4 (b) of the draft Regulation which is in line with the CERC Sharing Regulations 2020.
Additional Submission	Additional Submission	HPPC Comments – It is submitted that during any time block if the deemed GNA is available and not fully utilised by the GNA grantee for its long term purchase of power then in such case, the balance available deemed GNA shall be first utilised for short term bilateral and collective transactions and accordingly for such time blocks the charges for T-GNA may not be levied since for the aforesaid time blocks T-GNA availed was never utilised by the GNA grantee for its short term purchases.

Additional Submission	Additional Submission	<p>HPPC Comments – As submitted in Annexure-I of these Regulations the average GNA for Haryana has worked out to be 5418 MW. Before implementation of the above Regulation, Hon’ble CERC is requested to kindly clarify the impact of GNA of such derived quantum in Annexure - 1 with respect to the existing transmission charges that are being paid by each Discom.</p> <p>Also Hon’ble CERC is requested to allow states to modify its own deemed GNA as per the requirement limited to the approved LTA+MTOA.</p>
Additional Submission	Additional Submission	<p>HPPC Comments – It is requested to kindly provide the definition of ‘Renewable Park’ in these draft Regulations stating the minimum capacity for development of a renewable park which can be directly connected to ISTS system.</p>
Additional Submission	Additional Submission	<p>HPPC Comments – As per the existing Regulation, an entity has a right to use inter-State Transmission system for a period exceeding 7 years under Long Term Access and for a period equal to or exceeding 3 months but not exceeding 5 years under Medium Term Open Access.</p> <p>The draft regulation has not specified the period for utilization of ISTS for a period other than T-GNA (1 block to 11 months). Hon’ble Commission may kindly specify the period of GNA since an entity seeking relinquishment has to pay transmission charges equivalent to balance period of 60 months (5 years) towards relinquishment charges. This will also clarify as to how an entity can seek GNA for a period less than 5 years in line with present Medium Term OA.</p>