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No. CGM (Comml Conv.-Regulatory)/ 357

Jabalpur, Dated: 15/02/2022

To,

Secretary
Central Electricity Regulatory Commission
3rd & 4th Floor, Chanderlok Building
36, Janpath, New Delhi – 110001.

Sub: Draft Central Electricity Regulatory Commission (Connectivity and General Network Access to the Interstate Transmission System) Regulations, 2021.

Respected Sir,

With reference to Public Notice dated 16.12.2021, MPPMCL has uploaded its comments on Draft Central Electricity Regulatory Commission (Connectivity and General Network Access to the Interstate Transmission System) Regulations, 2021. The hard copy of the same is sent herewith.

Thanking you,

Yours faithfully,


General Manager (Regulatory)

Sub: Comments on draft Central Electricity Regulatory Commission (Connectivity and General Network Access to the Inter-state transmission system) Regulations, 2021.

The comments of MPPMCL are as under:-

1. Clause 2.1 (q) - When 'Energy Storage System (ESS)' are interfaced to the grid through power electronic circuits, power flows in both directions. When the generation of the grid is more than the demand, the extra power will be stored in the ESS (charging stage). When power demand is more than the generation, the energy flows from the ESS to grid (discharging stage). The discharging stage requires converting DC power to AC power. Thus inverters of ESS, Solar energy system etc. play important role for converting DC energy into non-inertial AC energy. If there is too much load in the grid, then energy is removed from the grid faster than it can be supplied. As a result, the turbines will slow down and frequency of the grid will decrease. As turbines, spinning loads in the grid etc. are massive spinning objects, they resist changes in the frequency just as all objects resist changes in their motion, a property known as inertia.

As more and more ESS, Solar systems etc. are being added to the grid, more inverters are being connected to the grid than ever before. Inverter based generation can produce energy at any frequency and does not have the same inertial properties as Thermal/Nuclear/Gas based generation, because there is no turbines/spinning object involved. As a result, transitioning to an electrical grid with more inverters requires building smarter inverters that can respond to change in frequency and other disruptions that may occur during operation of the grid.

In view of above, this Hon'ble Commission may kindly initiate to define the role of inverters in this draft Regulation and IEGC as well.

2. Clause 2.1 (ab) (i) - The word 'and/' should be added after the sentence "the agency designated for connectivity and/or.....".
3. Clause 2.1 (ac) – The sentence 'and as amended the same from time to time by CERC' should be added at the end of the clause.
4. Clause 3.1, 3.2 & 3.3 of the draft Regulation are not in consonance with the provisions of clause 6.0 of the connectivity Regulation 2009 notified on 07.08.2009.
5. Sub Clause of Clause 3.7 should be modified as under:

"Provided that if any application is withdrawn after the in-principle grant of Connectivity or Grant of GNA and there is no augmentation or capacity addition of ISTS, such application shall be closed by the Nodal Agency within a period of 15 days from the date of withdrawal and 100% of the application fee can be forfeited. In case application is withdrawn after augmentation and capacity addition of ISTS, relinquishment charges shall be applicable as per provisions contained in Clause 24 of the draft Regulation."

The above addition is in consonance with the proviso 5.3.5 of National Electricity Policy, 2005 and proviso 7.1 (2) 'Transmission pricing' of tariff policy notified on 28.01.2016,



which inter-alia provides that transmission tariff mechanism should be sensitive to distance, direction and related to quantum of flow. It was also provided that as far as possible, consistency needs to be maintain in transmission pricing framework in Interstate and Intrastate systems.

6. Clause 4.3 - A generation station (State or Central entity) already connected to Intrastate transmission system should be treated as deemed Grantee for Connectivity and/or GNA.

7. Clause 6 – Inter connection study by the Nodal Agency and ATS and Clause 7.2

DIC having Connectivity with ISTS and GNA for Long Term and Medium Term Open Access should be considered for Capacity Augmentation or Transmission Capacity Addition (ATS) and T-GNA should not be considered for ATS.

8. Clause 12.0 – Dedicated Transmission Lines and Bays
The Dedicated Transmission Lines should not be included in National Component of Sharing of Transmission Charges and Losses Regulation 2020.

9. Clause 13- Injection of Infirm power and drawal of Start-up power
The following sentence should be added at the end of the Clause:
“and share the transmission charges and other charges as per Sharing of Transmission Charges and Losses Regulations, 2020.

10. Clause 15.3 – The sentence ‘or there is change in name of Company without altering Memorandum of Association (MoA)’ should be added after the sentence ‘Any person which acquires 51% or more in terms of Regulation 15.2’.

11. Clause 24 – Relinquishment of Connectivity and Clause 25 – Relinquishment of GNA-
The Relinquishment Charges so collected by Nodal Agency after Relinquishment of Connectivity and Relinquishment of GNA by Grantee, should be adjusted in the capital cost of the ATS.

As per National Electricity Policy, 2005 and Tariff Policy 2016, the transmission tariff should be sensitive to distance, direction and quantum of flow. Therefore the balance capital cost of such ATS (after Relinquishment of capacity by Grantee) should be mitigated by PSDF so that no additional burden of fixed charges of ATS should be included in the balance component (AC-BC).

12. Clause 26 – Eligibility for Temporary GNA (T-GNA)
The T-GNA should not be included in the system study by the Nodal Agency for Augmentation or capacity addition of ATS. The T-GNA shall only be allowed after meeting the capacity of GNA under Long Term and Medium Term Open Access.

13. Clause 28.4 - Advance application for grant of T-GNA for obtaining open access for 11 month advance is not specified in this draft Regulation. The previous Regulation provided 4-stages for advance application (3-month advance, 2 month advance, one month advance and FCFS basis).



14. Clause 32.2 - As per existing STOA Regulation, Advance application can be revised after two clear days and Open access charges are only payable for two days. The same procedure may please be restored in T-GNA.
15. Clause 33.1- In general short term contract are having single tariff and scheduling concept shall bring need of two part tariff which add complexity. Further, this clause is contrary to 32.2 where revision is not allowed without one month notice.
16. Clause 34.4- The existing Regulation provides payment of open access charges in 3 days. This should be added to draft Regulation, as in general in Govt. utilities applications are made by Technical team and payments thereof are made by finance team which needs at least 3 day time for processing the payments.



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