



Abhishek Rohilla <cerc.abhishek@gmail.com>

Fwd: Comments/Suggestions on Draft GNA Regulations

1 message

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

20 February 2022 at 11:32

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: Tuesday, February 15, 2022 9:11:10 PM
Subject: Fwd: Comments/Suggestions on Draft GNA Regulations

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

From: Raman Gulati <Raman.Gulati@sembcorp.com>
To: Sanoj Kumar Jha <secy@cercind.gov.in>, Shilpa Agarwal <shilpa@cercind.gov.in>
Cc: Mahesh Vipradas <Mahesh.Vipradas@sembcorp.com>, Kunal Kaistha <Kunal.Kaistha@sembcorp.com>, milind nigudkar <milind.nigudkar@sembcorp.com>
Sent: Tue, 15 Feb 2022 18:41:06 +0530 (IST)
Subject: Comments/Suggestions on Draft GNA Regulations

Dear Madam/Sir,

In reference to the Public Notice No. L-1/261/2021/CERC dated: 16th Dec, 2021 issued to invite comments on the "Draft GNA Regulations", please find attached detailed comments / suggestions on behalf of Sembcorp.

Regards,
Raman Gulati

Raman Gulati
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 **GNA Comments_Sembcorp 15 Feb 2022.pdf**
333K

**Sembcorp's comments/Suggestions on
Draft CERC (Connectivity and General Network Access to the inter-State Transmission System) Regulations, 2021**

Sr. No.	Proposed Regulation in CERC Draft	Suggested Regulation	Sembcorp's comments/suggestions
1.	<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 non-refundable application fee of Rs.5 lakh along with applicable taxes. Provided that no application fee shall be payable by the State Transmission Utilities while applying for GNA.</p>	<p>3.2. Each application for grant of Connectivity shall be accompanied by <i>an a non-refundable</i> application fee of Rs.5 lakh along with applicable taxes.</p> <p>3.3. Each application for grant of GNA shall be accompanied by <i>an a non-refundable</i> application fee of Rs.5 lakh along with applicable taxes. Provided that no application fee shall be payable by the State Transmission Utilities while applying for GNA.</p>	<p>In reference to Regulation 3.2 and 3.3, application fees of Rs. 5 lakh is mentioned as non-refundable fee. However, as per the subsequent provisions up to 80% of above-mentioned fee is refundable. To avoid any misperception, it is suggested that the term "non-refundable" mentioned in Regulation 3.2 and 3.3 may be removed.</p>
2.	<p>3.5. After scrutiny, 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 refunded by the Nodal Agency to the Applicant within 15 days of closure of the application.</p>	<p>3.5. After scrutiny, 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. The Applicant shall rectify the deficiency within <i>15 days one-week</i> 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 refunded by the Nodal Agency to the Applicant within 15 days of closure of the application.</p>	<p>As per Regulations 3.5 the applicant has to rectify the deficiencies within one week from intimation. The proposed time frame of only one week may not be sufficient for all kinds of deficiencies and few deficiencies may require more time for its rectification. It is suggested to provide at least 15 days to rectify the deficiencies.</p>
3.	<p>4. Eligibility for Connectivity to ISTS</p> <p>4.1. The following entities shall be eligible as Applicants to apply for grant of Connectivity or for enhancement of the quantum of Connectivity:</p> <p>...</p> <p>(e) REGS or standalone ESS with an installed capacity of 5 MW and above applying for grant of Connectivity to ISTS through the electrical system of a generating station already having Connectivity to ISTS:</p> <p>Provided that such an entity applying for grant of Connectivity to ISTS has an agreement with the</p>	<p>4. Eligibility for Connectivity to ISTS</p> <p>4.1. The following entities shall be eligible as Applicants to apply for grant of Connectivity or for enhancement of the quantum of Connectivity:</p> <p>...</p> <p>(e) REGS or standalone ESS with an installed capacity of <i>1 MW 5-MW</i> and above applying for grant of Connectivity to ISTS through the electrical system of a generating station already having Connectivity to ISTS:</p> <p>Provided that such an entity applying for grant of Connectivity to ISTS has an agreement with the</p>	<p>It may not be justified to have minimum quantum of 5MW in case ISTS connectivity is being sought through a generating station which already has the Connectivity. As REGS and ESS can be installed with much smaller capacity such minimum requirement of 5MW would not allow many generators use their marginal resources where they themselves or some other entity can install small quantum of REGS / ESS. It is suggested to either remove such minimum requirement of 5MW or reduce the same to 1MW.</p>

	<p>said generating station to share its electrical system and dedicated transmission lines, if any.</p> <p>4.2. Notwithstanding anything contained in Regulation 4.1, the entities having Connectivity shall be eligible, on payment of application fees, to apply for enhancement of Connectivity of less than 50 MW subject to available capacity in transmission system.</p>	<p><i>said generating station to share its electrical system and dedicated transmission lines, if any.</i></p> <p><i>4.2. Notwithstanding anything contained in Regulation 4.1, the entities having Connectivity shall be eligible, on payment of application fees, to apply for enhancement of Connectivity of less than 50 MW subject to available capacity in transmission system.</i></p>	<p>Above is also supported by Regulation 4.2, which allows the entities already having connectivity to enhance their connectivity with no such requirement of minimum quantum.</p>
4.	<p>4.3. A generating station, already connected to or intending to connect to intra-State transmission system shall also be eligible as an Applicant for Connectivity.</p>	<p><i>4.3. A generating station, already connected to or intending to connect to intra-State transmission system shall also be eligible as an Applicant for Connectivity- subject to Regulation 4.1 and 4.2</i></p>	<p>As per clause 4.3, eligibility to have minimum quantum of 50MW has not been specified for generating stations which are already connected or intending to connect to Intra-state transmission system. As for other plants minimum 50MW capacity is required, such provision would be discriminatory in nature. It is therefore suggested that such generating stations should also be eligible only if they have minimum capacity of 50MW.</p>
5.	<p>5. Application for Grant of Connectivity</p> <p>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> <p>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; Provided further that if such an Applicant is a Renewable Hybrid Generating Station, it may apply for grant of Connectivity for a quantum less than or equal to the installed capacity.</p>	<p>5. Application for Grant of Connectivity</p> <p><i>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 net of auxiliary consumption of the generating station:</i></p> <p><i>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; Provided further that if such an Applicant is a Renewable Hybrid Generating Station, it may apply for grant of Connectivity for a quantum less than or equal to the installed capacity.</i></p>	<p>It may be noted that all generating plants have certain quantum of auxiliary consumption and net generation is lower than the installed/gross capacity. Net generation of plants depending upon their type varies from 0.5% to 7% or even more for some the plants. If all the generating plants are mandated to get connectivity equal to their installed capacity, ISTS requirement would come out to be higher than required. Further there is huge cost associated to build such excess system, especially when ISTS planning is already done with suitable capacity margins.</p> <p>It is therefore suggested to allow generating stations to get connectivity up to net installed capacity i.e. after considering auxiliary consumption of generating station.</p>
6.	<p>5.2. Notwithstanding anything contained in Regulation 5.1, a generating station, with prior approval of CTU, shall be eligible to add, within</p>	<p><i>5.2. Notwithstanding anything contained in Regulation 5.1, a generating station, with prior approval of CTU, shall be eligible to add, within</i></p>	<p>Clause 5.2 is applicable for additional generation capacity or ESS only within the quantum of already granted connectivity. As there would not be any</p>

	<p>the quantum of Connectivity granted to it, additional generation capacity, including ESS, and for this purpose, the generating station shall apply to CTU, along with non-refundable application fee of Rs 3 lakh along with applicable taxes;</p> <p>Provided that for such additional generation capacity, the said generating station shall be responsible for compliance with the Grid Code and other regulations of the Central Commission.</p>	<p><i>the quantum of Connectivity granted to it, additional generation capacity, including ESS, and for this purpose, the generating station shall apply to CTU, along with non-refundable application fee of Rs 3 lakh along with applicable taxes;</i></p> <p><i>Such application shall be disposed within 1 week from date of application</i></p> <p><i>Provided that for such additional generation capacity, the said generating station shall be responsible for compliance with the Grid Code and other regulations of the Central Commission.</i></p>	<p>requirement for system study/augmentation, it is suggested that such applications should be timely disposed within 1 week from date of application.</p>																				
7.	<p>5.8. The application for grant of Connectivity shall contain, inter alia, the following details, as applicable, duly supported with relevant affidavit, as stipulated in the Detailed Procedure for Connectivity and GNA issued in accordance with Regulation 39.1:</p> <p>(vi) Registration Number along with certificate issued by the CEA Registry;</p>		<p>It may be clarified, which Registration Number is being referred in Regulation 5.8(vi).</p>																				
8.	<p>8. Connectivity Bank Guarantee</p> <p>...</p> <p>8.2. For cases covered under Regulation 7.1 of these regulations, Conn-BG2 and Conn-BG3, shall be furnished as under:</p> <p>(a) Conn-BG2 towards terminal bay(s) shall be furnished on the basis of number of terminal bay(s) allocated as under:</p> <table border="1" data-bbox="280 1149 846 1372"> <thead> <tr> <th>Voltage level of allocated terminal bay</th> <th>Conn-BG2 (per terminal bay)</th> </tr> </thead> <tbody> <tr> <td>132 kV</td> <td>Rs. 2 crore</td> </tr> <tr> <td>220/230 kV</td> <td>Rs. 3 crore</td> </tr> <tr> <td>400 kV</td> <td>Rs. 6 crore</td> </tr> <tr> <td>765 kV</td> <td>Rs. 12 crore</td> </tr> </tbody> </table>	Voltage level of allocated terminal bay	Conn-BG2 (per terminal bay)	132 kV	Rs. 2 crore	220/230 kV	Rs. 3 crore	400 kV	Rs. 6 crore	765 kV	Rs. 12 crore	<p>8. Connectivity Bank Guarantee</p> <p>...</p> <p><i>8.2. For cases covered under Regulation 7.1 of these regulations, Conn-BG2 and Conn-BG3, shall be furnished as under:</i></p> <p><i>(a) Conn-BG2 towards terminal bay(s) shall be furnished on the basis of number of terminal bay(s) allocated as under:</i></p> <table border="1" data-bbox="878 1149 1444 1372"> <thead> <tr> <th><i>Voltage level of allocated terminal bay</i></th> <th><i>Conn-BG2 (per terminal bay)</i></th> </tr> </thead> <tbody> <tr> <td><i>132 kV</i></td> <td><i>Rs. 2 crore</i></td> </tr> <tr> <td><i>220/230 kV</i></td> <td><i>Rs. 3 crore</i></td> </tr> <tr> <td><i>400 kV</i></td> <td><i>Rs. 6 crore</i></td> </tr> <tr> <td><i>765 kV</i></td> <td><i>Rs. 12 crore</i></td> </tr> </tbody> </table>	<i>Voltage level of allocated terminal bay</i>	<i>Conn-BG2 (per terminal bay)</i>	<i>132 kV</i>	<i>Rs. 2 crore</i>	<i>220/230 kV</i>	<i>Rs. 3 crore</i>	<i>400 kV</i>	<i>Rs. 6 crore</i>	<i>765 kV</i>	<i>Rs. 12 crore</i>	<p>Criterion to restrict non serious players</p> <p>The proposed rules on granting connectivity where no system strengthening is required needs to provide for certain criterion or restrictions to safeguard against squatting of scarce resource like connectivity. For a 100 MW RE projects, the max BG to be paid will be Rs. 350 Lakhs which is not significant enough to check squatting of connectivity. In the present and extant regulations connectivity for stage 2 can be applied only under two routes namely:</p> <p>i. Letter of award or PPA with SECI or renewable energy implementing agency</p> <p>ii. 50% Land for the project and financial closure or 10% investment of equity in the project</p>
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	<p>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 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>(b) Conn-BG3 @ Rs. 2 lakh/MW, for the existing ISTS, shall be furnished by entities covered under clause (a) of this Regulation.</p> <p>(c) Conn-BG1, Conn-BG2 and Conn-BG3, as applicable, shall be furnished within 1 (one) month of intimation of in-principle grant of Connectivity, failing which the application for Connectivity shall be closed and application fee shall be forfeited.</p>	<p><i>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 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.</i></p> <p><i>(b) Conn-BG3 @ Rs. 2 lakh/MW, for the existing ISTS, shall be furnished by entities covered under clause (a) of this Regulation.</i></p> <p><i>(c) Conn-BG1, Conn-BG2 and Conn-BG3, as applicable, shall be furnished within 1 (one) month of intimation of in-principle grant of Connectivity, failing which the application for Connectivity shall be closed and application fee shall be forfeited.</i></p> <p><i>Provided that the applicant after intimation of In-principle Grant of Connectivity and before Grant of Final Connectivity shall furnish either of the following:</i></p> <p><i>(i) Letter of Award or Power Purchase Agreement executed with any Renewable Energy Implementing Agency or a distribution licensee or an authorized agency on behalf of distribution licensee consequent to tariff based competitive bidding</i></p> <p><i>(ii) Power Purchase Agreement executed with any commercial or industrial consumer</i></p> <p><i>(iii) Ownership or lease rights or land use rights for 50% of the land required for the capacity of Connectivity;</i></p> <p><i>(iv) Financial closure of the project (with copy of sanction letter) or release of at least 10% of the</i></p>	<p>Above provisions should continue in the present regulations, to check squatting of connectivity. In addition, the present rules are silent on grant of connectivity under PPA with commercial or industrial consumers, this has also been inserted. Hence the suggested regulation has been modified.</p> <p>Proportionate Conn-BGs in case of joint applications</p> <p>As per reading of Regulation 5.6 and 5.7 along with Regulation 8.2(a) it may be construed that in case two or more applicants apply for grant of Connectivity at a common terminal bay, all the applicants would have to submit the Connectivity BG. Such multiple BGs may not be required for a shared connectivity and is also not the intent of draft Regulations. It is suggested that it may be specified in provision of Regulation 8.2(a) that, in case of joint application both the applicants are required to submit the BG in proportion to the connectivity sought</p>
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		<p><i>project cost including the land acquisition cost through equity, duly supported by Auditor's certificate</i></p> <p><i>Further within 9 months of furnishing details as mentioned in above provision, the applicant will have to submit Letter of Award or Power Purchase Agreement executed with any Renewable Energy Implementing Agency or a distribution licensee or an authorized agency on behalf of distribution licensee consequent to tariff based competitive bidding or any commercial or industrial consumer.</i></p> <p><i>Provided further that in the case of joint application under Regulation 5.7 and for connectivity by two or more applicants at a common terminal bay, the Conn-BG1, Conn-BG2 and Conn-BG 3 shall be submitted by the applicants in proportion to the quantum of connectivity (MW) sought.</i></p>	
9.	<p>8.3. For cases covered under Regulation 7.2 of these regulations, the following procedure shall be followed:</p> <p>.....</p> <p>(b) 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>.....</p> <p>(d) The amount for which Conn-BG2 is to be furnished as per clause (b) of this Regulation,</p>	<p>8.3. For cases covered under Regulation 7.2 of these regulations, the following procedure shall be followed:</p> <p>.....</p> <p>(b) <i>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, subject to maximum Rs. 5 Lakhs/MW (ii) the timeline for completion of ATS and terminal bay(s), and (iii) firm date of start of Connectivity:</i></p> <p>.....</p>	<p>It is also suggested that in case ATS is needed there has to be a cap on Con BG 2 as the cost for ATS may run in to hundreds of Cr and there would be more than one user in future and hence it is neither justified not viable to put the entire burden on first applicant, It is suggested that Con BG2 in cases where ATS is needed would be capped at Rs 5Lakh / MW.</p> <p>The concept of Conn-BG2 to be equivalent to cost of ATS and terminal bay will result into generators being required to pay very high value of Bank Guarantee. The proposed regulations would see 100 times increase in amount of BG submission by generators vis à vis the amount applicable currently.</p>

	<p>shall be equal to estimated cost of ATS and terminal bay(s) and the timeline for completion of ATS and terminal bay(s) shall be based on the scheduled date of commercial operation for such ATS and terminal bay(s).</p> <p>.....</p>	<p><i>(d) The amount for which Conn-BG2 is to be furnished as per clause (b) of this Regulation, shall be equal to estimated cost of ATS and terminal bay(s), subject to maximum Rs. 5 Lakhs/MW and the timeline for completion of ATS and terminal bay(s) shall be based on the scheduled date of commercial operation for such ATS and terminal bay(s).</i></p> <p>.....</p>	<p>As an illustration we refer to the CTUILs Bikaner-2 substation which is designed for evacuating 2980 MW of renewable power. The total cost of the project is Rs. 1340 Cr that includes the following system or ATS:</p> <p>Transmission Line Bikaner II- Khetri 400kV D/C line (Twin HTLS) Khetri - Bhiwadi 400kV D/C line (Twin HTLS)</p> <p>Substation Establishment of 400/220kV Bikaner II Pooling Station with ± 300 MVAR, 2x125 MVAR MSC, 1x125 MVAR MSR & 2x125MVAR,420kV Bus Reactor, 4x80MVAR,420kV Line Reactors.</p> <p>Construction of 4 nos. of 400kV line bays at Khetri for Bikaner II – Khetri 400kV 2xD/c line & Construction of 2 nos. of 400kV line bays at Khetri for Khetri - Bhiwadi 400kV D/c line along with 4x80MVAR,420kV Line Reactors</p> <p>Construction of 2 nos. of 400 kV (GIS) line bays at Bhiwadi for Khetri- Bhiwadi 400kV D/c line</p> <p>Under the current Regulations a RE generator taking 100 MW of Stage 2 connectivity and 100 MW of Long-Term Access with system strengthening would need to submit the following BG as follows:</p> <p>Connectivity</p> <table data-bbox="1473 1177 2072 1273"> <tr> <td>Conn BG 1</td> <td>Rs. 50 Lakhs</td> </tr> <tr> <td><u>2 (220 kV Bay)</u></td> <td><u>Rs. 300 Lakhs</u></td> </tr> <tr> <td>Total Connectivity BG</td> <td>Rs. 350 Lakhs</td> </tr> </table> <p>LTA</p> <table data-bbox="1473 1305 2072 1394"> <tr> <td>Application BG</td> <td>Rs. 10 Lakhs</td> </tr> <tr> <td><u>Syst. Strengthening BG</u></td> <td><u>Rs. 500 Lakhs</u></td> </tr> <tr> <td>Total LTA BG</td> <td>Rs. 510 Lakhs</td> </tr> </table>	Conn BG 1	Rs. 50 Lakhs	<u>2 (220 kV Bay)</u>	<u>Rs. 300 Lakhs</u>	Total Connectivity BG	Rs. 350 Lakhs	Application BG	Rs. 10 Lakhs	<u>Syst. Strengthening BG</u>	<u>Rs. 500 Lakhs</u>	Total LTA BG	Rs. 510 Lakhs
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			<p>Total (Connectivity + LTA BG) Rs. 860 Lakhs</p> <p>The LTA BG would not be required if beneficiary is identified. Hence if a generator applies for LTA on firm basis (beneficiary identified) then the no LTA BGs would be required. Total BG to be submitted would be Rs. 350 Lakhs for connectivity only. Hence, in the extant regulations the requirement of BG for a RE generator to connect to CTUIL Bikaner 2 S/s would be either Rs. 350 Lakhs or Rs. 860 Lakhs. This is reasonable and affordable to the generator.</p> <p>A total of 1835 MW of RE capacity have been granted stage 2 connectivity from above mentioned ISTS system. As per CEA Dec 2021 monthly report on TCB transmission system update, the cost of the substation and ATS is Rs.1340 Cr. As per draft proposed Regulations, if BG against Rs. 1340 Cr is to be paid by generators awarded with stage 2 connectivity, the cost of BG per MW would be Rs. 73 Lakh/MW. Therefore a 100 MW RE generator would be required to pay the following amount of BG.</p> <table border="0"> <tr> <td>Conn BG 1</td> <td>Rs. 50 Lakhs</td> </tr> <tr> <td>Conn BG 2</td> <td>Rs. 7300 Lakhs</td> </tr> <tr> <td>Conn BG 3</td> <td>Rs. 200 Lakhs</td> </tr> <tr> <td><u>Total Connectivity</u></td> <td><u>Rs. 7550 Lakhs</u></td> </tr> </table> <p>Rs. 7550 Lakhs BG value is nearly 9 times Rs. 860 Lakh of BG required under current Regulations. Such huge amount of BGs will deter RE generators from connecting to the grid. This is unreasonable value of BG that cannot be afforded by generators. Most of the RE bidders would be deterred from participating in competitive bidding tenders due to</p>	Conn BG 1	Rs. 50 Lakhs	Conn BG 2	Rs. 7300 Lakhs	Conn BG 3	Rs. 200 Lakhs	<u>Total Connectivity</u>	<u>Rs. 7550 Lakhs</u>
Conn BG 1	Rs. 50 Lakhs										
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			<p>their inability to furnish massive BGs and thereby connect to ISTS grid.</p> <p>In addition to the exorbitant value of BG, the proposed Regulations does not provide any provision wherein the BG value would reduce as more generators start progressively connecting to CTU network. Even if such proviso is provided where the BG value progressively reduces, the value of the BG say in Bikaner 2 station would ultimately reduce to Rs. 44 Lakhs/MW (considering complete 2985 MW stage 2 connectivity) from earlier Rs. 73 Lakhs/MW. This for a 100 MW RE project would be equivalent of BG worth Rs. 4650 Lakhs (Rs. 4400 Lakhs + Rs. 50 Lakhs + Rs 200 Lakhs) which is also 6 times the maximum applicable BG in extant regulations amounting to Rs. 860 Lakhs.</p> <p>Hence it is suggested to cap the Conn-BG 2 amount to Rs. 5 Lakhs/MW as is the practice now for target region LTA application requiring system strengthening.</p>
10.	<p>9.1. Within 15 days of receipt of Conn-BG2 and Conn-BG3, as applicable, the Nodal Agency shall intimate the final grant of Connectivity to the entity that has been intimated in-principle grant of Connectivity. The intimation shall contain, inter alia, the following:</p> <p>(a) Name of the ISTS sub-station or switchyard of the generating station, as the case may be, where Connectivity is granted.</p> <p>(b) In case of an existing ISTS sub-station, the terminal bay location along with Single Line Diagram.</p>	<p><i>9.1. Within 15 days of receipt of Conn-BG2 and Conn-BG3, as applicable, the Nodal Agency shall intimate the final grant of Connectivity to the entity that has been intimated in-principle grant of Connectivity. The intimation shall contain, inter alia, the following:</i></p> <p><i>(a) Name of the ISTS sub-station or switchyard of the generating station, as the case may be, where Connectivity is granted.</i></p> <p><i>(b) In case of an existing ISTS sub-station, the terminal bay location along with Single Line Diagram, and scheduled date of operation in case additional bay(s) is required to be built.</i></p>	<p>Regulation 9.1(b) may be reworded as to cover case where ISTS exists but existing bays may not be sufficient for the required connectivity</p>
11.	15. Transfer of Connectivity	15. Transfer of Connectivity	The provision of Regulation 15.1. may be reworded to enable the scenario where one subsidiary may

	<p>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.</p>	<p><i>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</i> <i>“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 and its other subsidiary companies.</i></p>	<p>be able to utilize connectivity granted to another subsidiary of the same parent company.</p>
12.	<p>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:</p> <p>(i) State Transmission Utility on behalf of distribution licensees connected to intra-State transmission system and other intra-State entities;</p> <p>...</p>	<p>17. Eligibility for GNA 17.1. <i>The following entities shall be eligible as Applicants to apply for grant of GNA or for enhancement of the quantum of GNA:</i></p> <p><i>(i) State Transmission Utility on behalf of distribution licensees connected to intra-State transmission system and other intra-State entities;</i></p> <p><i>Provided, the GNA charge payable by the state shall be shared only among buying entities and no GNA charge shall be payable by injecting entities</i></p> <p>...</p>	<p>Generating plant having connectivity to intra-state transmission network and supplying power within the State, may also require to sell their power outside the state. Under Regulation 17.1(i) STU shall apply for GNA on behalf of such plants. As such plants who would inject power would effectively reduce the GNA requirement for the State. It may be clearly mentioned in the Regulation that such Intra-state connected generating plants shall not be charged for GNA applied by STU on their behalf.</p>
13.	<p>22. Grant of GNA ... 22.2. Grant of GNA to entities other than STU ... (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</p>	<p>22. Grant of GNA ... 22.2. Grant of GNA to entities other than STU ... <i>(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</i></p>	<p>In reference to Regulation 22.2(d), it may be noted that cost of ISTS is ultimately to be borne by end user i.e. Discom or the buying entities. Regulation 40.1 is also in line with above fact and therefore GNA charges are proposed to be divided only among the buying entities. As per Regulation 22.2(d), the need for generators to pay one-time GNA charge of Rs. 1 lakh per MW is not clear. Further it is specified that proceeds of such one-time GNA charge will be adjusted in Monthly Transmission charges. This will result in savings for buying entities at cost of generators. It is suggested that as these one-time charges will be used to</p>

	of such one- time GNA charge shall be used for reducing Monthly Transmission Charges under the Sharing Regulations.	<i>one- time GNA charge shall be used for reducing Monthly Transmission Charges under the Sharing Regulations. Further, those entities whose long-term open access is already operational and are deemed GNA grantees under these Regulations shall be exempted from such onetime charge.</i>	adjust the monthly transmission charge, which is to borne by buying entities, these one-time charges should not be taken from generators. Considering the total installed capacity of 393GW total amount to be collected through such provision works out be significantly high i.e. Rs. 3,933 crore. Therefore, those whose long term open access is already operational and are deemed GNA grantees should be exempted from such onetime charge.
14.	<p>24. Relinquishment of Connectivity</p> <p>...</p> <p>24.2. For entities covered under Regulation 7.1 and where Conn-BG2 and Conn-BG3, as applicable, has been furnished as per Regulation 8.2 of these regulations, the following shall apply:</p> <p>(a) In case of relinquishment of full quantum of Connectivity, (i) subsisting Conn-BG1 shall be encashed, (ii) subsisting Conn-BG2 shall be encashed if the terminal bay(s) are already developed or construction of which has already been awarded for implementation and (iii) subsisting Conn-BG3 shall be encashed.</p> <p>(b) In case of relinquishment of part quantum of Connectivity, (i) subsisting Conn-BG2 shall be encashed in proportion to the relinquished quantum of Connectivity if the terminal bay(s) are already developed or the construction of which has already been awarded for implementation and (ii) subsisting Conn-BG3 corresponding to the relinquished quantum of Connectivity shall be encashed. Conn-BG1 shall be returned in terms of Regulation 16.1 considering full capacity after excluding such relinquished quantum.</p>	<p>24. Relinquishment of Connectivity</p> <p>...</p> <p><i>24.2. For entities covered under Regulation 7.1 and where Conn-BG2 and Conn-BG3, as applicable, has been furnished as per Regulation 8.2 of these regulations, the following shall apply:</i></p> <p><i>(a) In case of relinquishment of full quantum of Connectivity, (i) subsisting Conn-BG1 shall be encashed, (ii) subsisting Conn-BG2 shall be encashed if the terminal bay(s) are already developed or construction of which has already been awarded for implementation and (iii) subsisting Conn-BG3 shall be encashed.</i></p> <p><i>(b) In case of relinquishment of part quantum of Connectivity, (i) subsisting Conn-BG2 shall be encashed in proportion to the relinquished quantum of Connectivity if the terminal bay(s) are already developed or the construction of which has already been awarded for implementation and (ii) subsisting Conn-BG3 corresponding to the relinquished quantum of Connectivity shall be encashed. Conn-BG1 shall be returned in terms of Regulation 16.1 considering full capacity after excluding such relinquished quantum.</i></p> <p><i>(c) In case of relinquishment after 5 years from date of Connectivity, no such relinquishment charges shall be applicable upon relinquishment.</i></p>	<p>For better clarity another clause may be added as 24.2(c) as under:</p> <p>“24.2 ... (c) In case of relinquishment after 5 years from date of Connectivity, no such relinquishment charges shall be applicable upon relinquishment.”</p> <p>Also, the Regulations are not clear regarding the applicability of BGs for the plants which are already commissioned and have applied for ISTS connectivity. For such projects which are already commissioned, it is suggested that BGs may be returned within 5 years from start date of Connectivity.</p>

<p>15.</p>	<p>32. Revision of T-GNA 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>32. Revision of T-GNA 32.1. T-GNA granted under Exigency application category or under Advance application category for a period not exceeding one month cannot be revised <i>except in case of forced outage.</i></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>As per Regulation 32, it will not be possible to revise the Advance applications (under T-GNA) for period under one month. The objective of the mentioned Regulations seems to enable only the serious players to book ISTS network and would not unnecessarily revise it at later date. However, there could be genuine need for making such revisions in T-GNA quantum especially in the events of forced-shut down.</p> <p>Revision in T-GNA if not allowed would also result in rejection of Advance T-GNA applications of other applicants in case there is only marginal capacity available in the system.</p> <p>In view of above, it is suggested to allow revision in cases of forced shutdowns. And for other cases where an entity is required to revise its T-GNA quantum same can be revised with payment of appropriate compensation amount.</p>
<p>16.</p>	<p>37. Arrangement for Transition 37.1. If an application for grant of Connectivity or grant of Long term Access or grant of Medium Term Open Access has been made in accordance with the Connectivity Regulations and the same is yet to be granted as on the date of coming into effect of these Regulations, the applicant shall have the option of, either (a) to withdraw the application, in which case the application fee and bank guarantee, if any, shall be returned, or (b) to convert the application as an application made under these regulations by complying with the requirements under these regulations, which shall be processed in accordance with these regulations:</p> <p>Provided that such option shall be exercised by the applicant within one month of coming into effect of these Regulations, failing which the</p>	<p>37. Arrangement for Transition <i>37.1. If an application for grant of Connectivity or grant of Long term Access or grant of Medium Term Open Access has been made in accordance with the Connectivity Regulations and the same is yet to be granted as on the date of coming into effect of these Regulations, the applicant shall have the option of, either (a) to withdraw the application, in which case the application fee and bank guarantee, if any, shall be returned, or (b) to convert the application as an application made under these regulations by complying with the requirements under these regulations, which shall be processed in accordance with these regulations:</i></p> <p><i>Notwithstanding anything contained in above clause, such applicants who choose to convert their applications under these Regulations, shall be given priority and shall be processed in the</i></p>	<p>Stage 2 connectivity grant to RE generators allocates them bay at the CTU substation. Wherever there are multiple applicants and limited bays, first come first serve principle of granting connectivity is followed by CTUIL. Many RE generators that have applied for stage 1 or 2 connectivity or LTA/MTA and awaiting grant, should be processed in the same order of precedence as was being done earlier under the CERC connectivity regulation, 2009 considering first come first serve principle. This will ensure that applicants are treated fairly and disputes on precedence due to date/time of application is avoided.</p>

	<p>application shall be closed and the application fee and bank guarantee, if any, shall be returned.</p>	<p><i>same order of precedence as in previous application under Connectivity Regulations and the procedures emanating therewith.</i></p> <p><i>Provided that such option shall be exercised by the applicant within one month of coming into effect of these Regulations, failing which the application shall be closed and the application fee and bank guarantee, if any, shall be returned.</i></p>	
17.	<p>37. Arrangement for Transition ... 37.6. If Connectivity granted in accordance with the Connectivity Regulations is effective and Long term Access has either not been granted for any 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>37. Arrangement for Transition ... <i>37.6. If Connectivity granted in accordance with the Connectivity Regulations is effective and Long term Access has either not been granted for any 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:</i></p> <p><i>(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 or fresh GNA for balance quantum of Connectivity under Regulation 17.2 of these regulations. The same shall be processed by the Nodal Agency as under:</i> </p>	<p>The regulation provides for connectivity grantees having full or part capacity granted long term access to apply for GNA of balance quantity. If part capacity has been allocated long term access, remaining additional (emphasis added) capacity can be applied for incremental GNA. In case no long-term access is granted, then the question of additional application of GNA won't arise and fresh GNA application would need to be applied. Hence the insertion of the word "or fresh".</p>
18.	<p>37. Arrangement for Transition 37.8. Where Medium term open access granted, in accordance with the Connectivity Regulations, has become effective as on the date of coming into effect of these Regulations, such open access shall be treated as under:</p>	<p>37. Arrangement for Transition 37.8. <i>Where Medium term open access granted, in accordance with the Connectivity Regulations, has become effective as on the date of coming into effect of these Regulations, such open access shall be treated as under:</i></p>	<p>Regulation 37.8. (a) specifies that entities covered under Regulation 4.1, having MTOA shall be considered to have deemed GNA.</p> <p>However, provision to Regulation 37.8.(a) specifies that, such entities may apply for GNA under Regulation 17.2.</p>

	<p>(a) For entities covered under Regulation 4.1 of these regulations, GNA corresponding to such Medium term open access shall be deemed to have been granted to such entity, till the expiry of the such Medium Term Open Access.</p> <p>Provided that such entity may apply for GNA under Regulation 17.2 of these regulations.</p>	<p><i>(a) For entities covered under Regulation 4.1 of these regulations, GNA corresponding to such Medium term open access shall be deemed to have been granted to such entity, till the expiry of the such Medium Term Open Access.</i></p> <p><i>Provided that such entity may apply for GNA under Regulation 17.2 of these regulations.</i></p>	<p>It may be clarified, that in case having an MTOA is considered to be deemed GNA, what is the need for such entities to apply for GNA under Regulation 17.2.</p>
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