



TEESTA URJA LIMITED

(A Government of Sikkim Enterprise)

TUL/CERC/GNA/220215

Dated 17th February 2022

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

Sub: Comments/ suggestions on Draft CERC (Connectivity and General Network Access to the inter-State Transmission System) Regulations, 2021 reg.

Sir

Teesta Urja Limited (TUL) owns and operates the 1200 MW Teesta III HEP in Sikkim. The said project has connectivity with the ISTS for its full capacity and has already been commissioned and operating successfully for past five years since its COD in February, 2017 and supplying power through long term PPA, as well as short term bilateral and collective transactions. Further, the Teesta III HEP has a useful life of 35 years.

2. TUL welcomes the initiative taken by Hon'ble CERC through the above progressive draft Regulations that provide much needed flexibility to open access in particular, and electricity sector in general considering our evolved and robust transmission grid. We would like to submit our limited comments/ suggestions on the draft regulations as below.

a) **Requirement of Conn BG-1 and Conn BG-3 for generation projects already commissioned and in operation for more than five years (Regulation 17.2 read with Regulation 37.6):**

Regulation 17.2 provides that the entities not covered under regulation 17.1 which are connected to ISTS or for whom connectivity granted under the Connectivity regulations has become effective, shall be eligible to apply for grant of GNA to the ISTS for quantum equal to the quantum of connectivity, which shall be processed as per Regulation 37.6. Regulation 37.6 provides that entities covered under regulation 4.1 which have not been granted any LTA or granted part LTA qua the quantum of connectivity, may apply for additional GNA for the balance quantity. For additional GNA granted on existing transmission system Con- BG3 @ RS 2 lacs/ MW is required to be deposited which shall be returned in 5 equal annual instalments after additional GNA is made effective or in accordance with regulation 16.2, whichever is later. In case ATS is required for grant of additional GNA then the application has to be processed as per regulation 8.3, which provides for depositing of Con- BG1 and Con-BG2, as specified.

Conn BG1: As per the draft Regulations, Conn BG1 is returnable to the Connectivity Grantee within 30 days of declaration of commercial operation of full capacity.

This being the case, it is suggested that the Regulations clearly specify that generation projects which have already declared COD for their full capacity, will not be required to submit Conn BG1.


Conn BG2 and Conn BG3: The basic object of providing for various BGs for Connectivity, as transpired from the regulations, is to ensure seriousness of the project developer to commission the project in time and to provide for security for investment made in the transmission system in case of abandoning of the generating project or partial completion of project or delay in commissioning so that there is no adverse financial impact of the same on the transmission licensee and the consumers. The Conn-BG1 is returned on achieving of the COD of the project and Conn-BG2 and BG3 in 5 years in equal instalments after COD of the project or operationalisation of GNA, as the case may be.

It is submitted that in cases where the Connectivity Grantee is a generating station which is (i) already commissioned and connected to the ISTS for its full capacity; (ii) has a-balance remaining useful life of more than 5 years and (iii) has been in successful operation for five years or more, there is no risk to the CTU and there should be no need for providing any BG for application for the additional GNA. By making the BGs mandatory, such generator is forced to block its allowable BG limit thereby hampering its ability to participate in tenders for procurement of power, etc.

Accordingly, it is suggested that such generation projects should be exempted from the requirement of Conn BG2 and Conn BG-3. This will also provide level playing field to such generating stations with the central sector generating stations whose power has been allocated by the Central Government and Discoms and other drawees who are not required to deposit any BG for grant of additional GNA.

- b) **Interim Arrangement for scheduling till additional GNA is granted and made effective:**
The Regulations should specify an interim arrangement for scheduling full power output of the such existing power stations who have applied for additional GNA qua the quantum of connectivity as per Regulation 17.2 for the intervening period till the additional GNA is granted. There is an application processing period allowed for grant of additional GNA on the existing transmission system and in case augmentation in transmission system is required, the additional GNA will be made effective only after commissioning of the ATS.

Yours faithfully


(Jaideep Lakhtakia)
ED(PS & R)