



Dated: 17.02.2023

To,
Central Electricity Regulatory Commission (CERC),
3rd & 4th Floor, Chanderlok Building,
36, Janpath, New Delhi- 110001

Sub: Comments on Draft Central Electricity Regulatory Commission (Connectivity and General Network Access to the inter-State Transmission System) (First Amendment) Regulations, 2023.

Dear Sir/Madam,

With reference to the public notice issued by the commission dated 27th Jan 2023 (No. L-1/261/2021/CERC), Hindustan Power Exchange (HPX) supports this initiative by the Central Electricity Regulatory Commission (CERC) to adopt General Network Access (GNA) based approach in accessing the inter-State Transmission System (ISTS). In view of the same, please find enclosed herewith the comments/ suggestions/ objections on the CERC (Connectivity and General Network Access to the inter-State Transmission System) Regulations, 2021 by Hindustan Power Exchange (HPX).

Thanking You,

Yours sincerely,

For Hindustan Power Exchange

Akhilesh Awasthy

Chief Operating Officer

Enclosed: Comments (Annexure A)

Hindustan Power Exchange Limited

(Formerly known as Pranurja Solutions Ltd)

Regd. Office: 25th Floor, P.J. Towers, Dalal Street, Fort, Mumbai - 400001

Corporate Office: World Trade Tower, 8th Floor, Sector-16, Noida, UP- 201301 | CIN: U74999MH2018PLC308448

info@hpxindia.com 0120 4769900 www.hpxindia.com HPX_India Hindustan Power Exchange

Comments on the Draft Central Electricity Regulatory Commission (Connectivity and General Network Access to the inter-State Transmission System) (First Amendment) Regulations, 2023

Introduction

On 27 January 2023, the Central Electricity Regulatory Commission (CERC) has issued the draft CERC (Connectivity and General Network Access (GNA) to the inter-State Transmission System (ISTS)) (First Amendment) Regulations, 2023. As per the amendment, among other things, a new regulation will be added to the principal regulation wherein.

- Bulk consumers connected to Inter-State Transmission System (ISTS) shall be able to take GNARE or T-GNARE for procuring power from the identified RE sources under the Sharing Regulations. The waiver of transmission charges for drawl under GNARE or T-GNARE shall be as per the formula specified in the Sharing Regulations
- Charges payable by entities in collective transactions - To determine whether drawl schedule was more than GNA quantum or TGNARE quantum or both in case of collective transaction, SLDC shall furnish to NLDC, each intra-state entity-wise detail of schedule under GNA or T-GNA, as the case may be, NLDC shall issue power exchange wise and entity-wise segregation of payable T-GNA charges.

Additionally, there are some issues that require elaboration and more specifics so that inadvertent omissions are also addressed.

Our comments with reference to specific clauses are related to some clarifications needed to dispel any ambiguity/uncertainty and are enclosed in Annexure-A.

Sl. No	Clause No.	Draft Regulation	Remarks
1	22.1	<p>Amendment to Regulation 34.2 of the Principal Regulations:</p> <p>An Explanation shall be added after the first proviso to the Regulation 34.2 of the Principal Regulations as under:</p> <p>“Explanation: In order to determine whether drawl schedule was more than GNA quantum or T-GNA quantum or both in case of collective transaction, SLDC shall furnish to NLDC, each intra-state entity-wise detail of schedule under GNA or T-GNA, as the case may be. NLDC shall issue power exchange wise and entity-wise segregation of payable T-GNA charges.</p>	<p>As per current procedure, obligations for participants are generated on T (Trade) Date for DAM & RTM as per the transmission charges available with exchange.</p> <p>As per clause 34.2 of principal regulation, <i>“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:</i></p> <p><i>Provided that under collective transactions, transmission charges for T-GNA shall be payable for drawal schedules more than GNA quantum or T-GNA quantum or both, as applicable”.</i></p> <p>Further as per clause no. 14(b)(ii)(j) of the detail procedure for T-GNA, <i>“For IDAM and RTM transactions, the T-GNA charges shall be notified by NOAR at 1100 hours on (D+1) day, (D) being the day of delivery. Payments of ISTS charges for T-GNA under collective transactions shall be made by the power exchange(s) to the NLDC by the 2400 hours of (D+2) day as per Format-J. In case of delay in payment of T-GNA charges under collective transactions, simple interest at the rate of 0.04% for each day of default shall be payable by the power exchange”.</i></p> <p>It may be noted that the settlement of trade (collection of money from buyer) happens before start of delivery. since exchanges would know their charges post-delivery, therefore it would not be possible for exchanges to collect exact amount from the buyers.</p> <p>This will give rise to following concerns at exchange end: -</p> <ol style="list-style-type: none"> I. Exchanges need to assume some charges and recover it from buyers. Obviously to avoid risk, exchanges would tend to recover charges so that any upward change in these charges can also be covered.

			<p>ii. Buyers would resist paying charges on assumption basis (which will be adjusted once charges are declared on D+1). This would be extra cost on the buyers.</p>
--	--	--	--