

Date: 17.04.2023

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

Sub: Submission of comments and suggestions on the proposed Draft Central Electricity Regulatory Commission (Sharing of Inter-State Transmission Charges and Losses) (Second Amendment) Regulations, 2023.

Ref: Draft Notification No. L-1/250/2019/CERC Dated: 17.03.2023

Dear Sir,

This has reference to the Draft Central Electricity Regulatory Commission (Sharing of Inter-State Transmission Charges and Losses) (Second Amendment) Regulations, 2023 published for stakeholder consultation vide notification No. L-1/250/2019/CERC Dated: 17.03.2023.

It is understood from the Explanatory Memorandum (EM) that present draft amendment has been proposed to address the issues of mismatch in commissioning of inter-State transmission system and intra-State transmission system considering the MoP direction dt 15.01.2021 issued u/s 107 of EA and various APTEL and Hon'ble Supreme Court judgements.

In this regard, it is submitted that proposed draft covering the mismatch issues seems to be contrary to the MoP direction issued on 15.01.2021 u/s 107 of EA whereby it has been directed that as soon as COD of any element of ISTS system is declared, corresponding recovery is required to be included in the pool irrespective of readiness of associated generation or upstream or downstream transmission elements. Relevant portion of the direction is reproduced below for ready reference:

"12.

In view of the above, the Central Government, in public interest, under section 107 of the Electricity Act, 2003 issues directions to the Central Electricity Regulatory Commission to amend the Sharing Regulations to provide for the following:

(i) On COD of an element of ISTS, its Transmission Charges be included for determination of transmission charges of DICs in accordance with Regulations 5 to 8 of the Sharing Regulations, independent of the readiness of associated generation or upstream or downstream transmission elements.

It is therefore requested to implement the aforesaid MoP direction issued u/s 107 in letter and spirit and no such charges to be imposed in any kind of mismatch cases viz. Generation-Transmission, Transmission-Transmission and Transmission-Upstream/Downstream connecting Transmission System of the STU.

Implementation of aforesaid MoP direction should be ensured in totality. Imposition of any additional liability for mismatch will go against the spirit of MoP direction as there are certain other penalty/losses which flows from delay of Genco's or ISTS systems as the case may be, in terms of generation loss, liquidated damages, increased finance cost, realization of revenues etc. This additional liability against the mismatch would lead to unviability of the project especially in case of RE, where payment of transmission charges is exempted, and corresponding tariff is very competitive/low to absorb such additional cost. It is pertinent to highlight that there

are several petitions filed by RE Genco's before this Hon'ble Commission and APTEL on account of liability arising out of mismatch.

It is further submitted that the Electricity Act, 2003, the National Electricity Policy, 2005 and the Tariff Policy, 2016 envisages promotion of Renewable Energy. With aforesaid objective, waiver of ISTS charges have been extended to RE GENCO's through various notifications. Further in this context, MNRE/Implementing agencies from time to time has also extended certain other benefits to RE GENCO's in the form of extension of SCOD on account of various issue viz. RoW/COVID/FM/Disruption of Supply Chain etc. This has been provided keeping in view the ambitious target of Govt. of India to achieve 450 GW of RE installation by 2030.

In view of the above if the transmission charges liability for mismatch as envisaged under the sharing regulation is continued for the RE generating stations, it will negate the benefit extended by Govt. and will also defeat the objective set out under EA, 2003. It will also derail the ambitious target of achieving 450 GW by 2030.

It is therefore requested that RE GENCO's should be exempted from paying transmission charges for the mismatch period if the delay is occasioned due to reasons not attributable to the RE GENCO's and suitable mechanism may be provided under the draft amendment regulation.

looking forward to your favorable consideration in the matter.

Thanking you,

Yours faithfully,

For & Behalf of Adani Green Energy Limited



Ravi Sinha
Manager- Regulatory Affairs