



ग्रिड कंट्रोलर ऑफ इंडिया लिमिटेड
(भारत सरकार का उद्यम)
GRID CONTROLLER OF INDIA LIMITED
(A Government of India Enterprise)



[formerly Power System Operation Corporation Limited (POSOCO)]

राष्ट्रीय भार प्रेषण केन्द्र / National Load Despatch Centre

कार्यालय : बी-9, प्रथम एवं द्वितीय तल, कुतुब इंस्टीट्यूशनल एरिया, कटवारिया सराय, नई दिल्ली - 110016
Office : 1st and 2nd Floor, B-9, Qutab Institutional Area, Katwaria Sarai, New Delhi -110016
CIN : U40105DL2009GOI188682, Website : www.grid-india.in, E-mail : gridindiacc@grid-india.in, Tel.: 011- 42785855

ग्रिड इंडिया /पारेषण मूल्य निर्धारण/

दिनांक: 17.04.2023

सेवा में,

सचिव

केंद्रीय विद्युत विनियामक आयोग

तृतीय एवं चतुर्थ तल, चंद्रलोक भवन

36 जनपथ, नई दिल्ली-110001

Sub: Draft CERC (Sharing of Inter State Transmission Charges & Losses)(Second Amendment) Regulations, 2023 - Comments/Suggestions reg.

Ref: CERC public notice no. L-1/250/2019/CERC dated 17.03.2023

Sir,

With reference to the Draft CERC (Sharing of Inter State Transmission Charges & Losses) (Second Amendment) Regulations, 2023, Grid India suggestions are enclosed at **Annexure-I** for kind consideration of the Hon'ble Commission.

सादर धन्यवाद

भवदीय

(एस. सी. सक्सेना)

कार्यपालक निदेशक/ रा. भा. प्रे. के

Comments/Suggestion on Draft CERC (Sharing of Inter-State Transmission Charges and Losses) (Second Amendment) Regulations, 2023

1. Regulation 13 (12):

Regulation 13 (12) states as follows:

“For the cases other than those covered Clauses (3), (6) or (9) of Regulation 13 of these regulations, the YTC for the inter-State transmission system approved or declared as deemed COD shall be treated as follows:

- a) The inter-State transmission licensee shall be paid 20% of YTC of its inter-State transmission system for a period of six (6) months from date of deemed COD or till commencement of actual power flow, whichever is earlier.*
- b) The inter-State transmission licensee shall be paid 100% of YTC of its inter-State transmission system from seventh (7th) month till commencement of actual power flow, in case actual power flow does not commence within a period of 6 months from date of deemed COD.*
- c) The charges under sub clauses (a) and (b) of this Clause shall be disbursed from charges collected under third bill in terms of Clause (3) of Regulation 12 of these regulations:*

Provided that in case of shortfall in collection under third bill to meet the requirement of payment under sub-clauses (a) and (b) of this Regulation, the balance shall be paid from charges collected under T-GNA in terms of Clause (3) of Regulation 11 of these regulations:

Provided further that in case of shortfall in charges collected under T-GNA to meet the requirement of payment under sub-clauses (a) and (b) of this Regulation, the balance shall be paid from Deviation and Ancillary Service Pool Account under DSM Regulations.

.....”

Comments/Suggestions:

In case of shortfall in collection under third bill (i.e. RTDA), YTC should be paid first from charges collected under provisions of T-GNA. In case of any further shortfall, it should be paid from the charges collected under third bill and T-GNA provisions during subsequent months instead of sourcing it from the Deviation and Ancillary Service Pool Account.

Rationale:

As per the extant regulations, the Deviation and Ancillary Service pool (DSM pool) fund is meant for a different purpose i.e. for weekly imbalance settlement and for paying towards Ancillary Services rendered by the Ancillary Service providers. DSM pool account is a

regulatory pool account. RLDCs have been given the mandate to operate this pool account as a custodian for collection & disbursement amongst the beneficiaries as per the Grid Code & DSM Regulations. The volume of transactions in DSM pool neither appears in the books of accounts of RLDCs nor is any tax liability attached to RLDCs for handling these regulatory funds.

As per DSM Regulations 2022, in case of shortfall in DSM pool, the same shall be recovered from RLDCs fees and charges. It is observed that a significant number of entities default in payment of DSM charges for which RLDCs keep following up in various RPC forums and at times file petitions before the Commission (Eg. WRLDC vs Essar Mahan, WRLDC vs Vandana Vidhyut Ltd., in 2015-16, ERLDC Vs Ind Barath in 2018-19 etc.). Such default in DSM payment at times takes years to recover and in some cases the matter is still pending for resolution before the NCLT.

Thus, now with the above draft amendment to Sharing Regulations, in case of shortfall in transmission charge for deemed COD cases, the deficit amount is to be funded from DSM pool which in turn could be funded through RLDC fees and charges to meet any shortfall. Whereas, 1/3rd of the RLDC Fees & Charges are paid by the Transmission Licensees as per the provisions under CERC (RLDC Fees & Charges) Regulations 2019. Therefore, the payment of YTC for deemed CoD cases from RLDC Fees and charges in turn could be funded from the charges collected from Transmission Licensees.

The intent and purpose of DSM pool fund and RLDC fees and charges are entirely different from the purpose of payment of transmission charge for deemed COD cases. Accordingly, it is suggested that DSM pool should not be linked to the Transmission charges/RTDA pool and these two should be kept separate.

-----XX-----