

Date: 17th April 2023

To,
Secretary,
Central Electricity Regulatory Commission,
3rd and 4th floor, Chanderlok Building,
36, Janpath, New Delhi – 110001

Reference No.: No. L-1/250/2019/CERC

Subject: Draft Central Electricity Regulatory Commission (Sharing of Inter-State Transmission Charges and Losses) (Second Amendment) Regulations, 2023.

Respected Sir,

This is in reference to the Public Notice dated 17.03.2023 issued by Hon'ble Commission for inviting comments from stakeholders on draft (Sharing of Inter-State Transmission Charges and Losses) (Second Amendment) Regulations, 2023.

We are hereby submitting our comments under Annexure 1 on above referred subject for kind consideration of the Hon'ble Commission.

Thanking You,
For Nangia Andersen



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ANNEXURE 1**Comments on Draft Central Electricity Regulatory Commission (Sharing of Inter-State Transmission Charges and Losses) (Second Amendment) Regulations, 2023**

We commend Central Electricity Regulatory Commission (CERC) for suggesting changes in the CERC (Inter-State Transmission Charges and Losses) Regulations, 2020. At the outset, we welcome the proposed change of bringing in the concept of Deemed COD within the definitions, providing a level-playing field for the entities by suggesting levy of YTC charges on a proportionate basis of 20% for first six months and 100% from seventh month onwards.

However, there are certain concerns related to Regulations 13(3), 13(6) and 13(9). Even out of context but considering as an opportunity, we propose following suggestion:

- In reference to 13(3), 13(6) and 13(9), we understand that for any Generation – Transmission mismatch, the liability of payment of YTC charges lies with the defaulter due to which interconnectivity did not happen. In a case where generation project is delayed, even when the transmission network has come up, unlike Regulation 13(12), wherein defaulter has been provided a respite by levy of YTC charges on a proportionate basis of 20% for first six months and 100% from seventh month onwards, defaulter under Regulation 13(3), 13(6) and 13(9) has to pay full YTC charges. Consider a situation where generating project has not come up and is awaiting cash flows from the project, has to pay 100% YTC charges from the Deemed COD. This will be an additional burden, to already financially stressed generator reeling to cover up its costs due to delays.
- Considering the above issue, we would like to propose that the generators should not be charged any amount till the actual COD of the Power Plant. Once, the supply starts, generator maybe levied an additional surcharge to recover YTC charges during the period of delay. This step would ensure that the YTC charges are necessarily recovered from the generators without creating any default. This step would also suit the generators as they would be able to ration such amounts easily post cash flows.