



A Maharatna Company

एन टी पी सी लिमिटेड

(भारत सरकार का उद्यम)

NTPC Limited

(A Govt. of India Enterprise)

केन्द्रीय कार्यालय / Corporate Centre

Ref.No.01:CC

Dated : 13.4.23

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

Sub: NTPC Submissions on Draft Central Electricity Regulatory Commission (Sharing of Inter State Transmission Charges and Losses) (Second Amendment) Regulations, 2023.

Sir,

Hon'ble Commission vide its notification dated 17.3.2023 has published the Draft Central Electricity Regulatory Commission (Sharing of Inter State Transmission Charges and Losses) (Second Amendment) Regulations, 2023 and has invited views/ comments/ suggestions/ objections from various stakeholders.

In this regard, please find enclosed NTPC submission on Draft Central Electricity Regulatory Commission (Sharing of Inter State Transmission Charges and Losses) (Second Amendment) Regulations, 2023.

Thanking you,

Ajay Dua
ED (Commercial)

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NTPC's Submission on Draft Central Electricity Regulatory Commission (Sharing of Inter-State Transmission Charges and Losses) (Second Amendment) Regulations, 2023.

1. Amendment to Clause (12) of Regulation 13 of the Principal Regulations

The amendment provides that:

(12) 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.

(d) In case an inter-State transmission licensee is responsible for the delay (for any reason including the reason attributable to Force Majeure events) in commencement of power flow in the inter-State transmission system of another inter-State transmission licensee which has achieved deemed COD, inter-State transmission licensee of the delayed inter-State transmission system shall pay 20% of YTC of its transmission system OR 20% of YTC of the transmission system which has achieved deemed COD, whichever is lower, till its delayed inter-State transmission system achieves COD.

Submission: It is submitted that Explanatory Memorandum issued for the second amendment mention that “*Sharing Regulations, 2020 deals with provisions for payment of transmission charges in case of delay in achieving the COD of inter-State Transmission System or intra-State transmission system or generating stations and others. As per the prevailing provisions, the defaulting entity which is either the inter-State transmission licensee or generating station or the intra-State transmission licensee executing the inter-connecting transmission system, if delayed, is liable to pay the 100% of Yearly transmission charges of the inter-State transmission system declared under deemed COD.*”

Further through second amendment Hon'ble commission has proposed a methodology for the treatment of transmission charges for a transmission system declared or approved for deemed COD vis-à-vis transmission charges to be paid by the other transmission licensee whose system has not achieved CoD.

It is submitted that the proposed methodology/amendment is creating a discrepancy in terms of treatment of delay of generator and delay of Transmission licence as explained below:

While the Clauses (3), (6) or (9) of Regulation 13 which deals with delay on the part on generator in achieving the CoD, have been excluded, the Transmission licence whose system has got delayed, is required to pay only 20% of YTC of its transmission system OR 20% of YTC of the transmission system which has achieved deemed COD, whichever is lower, till its delayed inter-State transmission system achieves COD.

Hence if delay is on the part of generator, it is required to pay 100% of the YTC, while if transmission licence gets delayed, is required to pay only 20% of the YTC.

It is submitted that a generator may get delayed due to various reasons which are beyond its control. Hence Hon'ble commission is requested to provide parity in treatment of delay and in case of delay on the part of generators they may also be required to pay similar as what a transmission licence is required to pay.

Accordingly, in case of delay on the part of generator, it may be considered that a generator is required to pay 20% of AFC of station or unit thereof (or the generation lost in case of RE) which has not achieved CoD OR 20% of YTC of the transmission system which has achieved deemed COD, whichever is lower, till its delayed station achieves COD. The clause may be modified as follows:

(12) For the cases including those covered under 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.

(d) In case an inter-State transmission licensee or a generator is responsible for the delay (for any reason including the reason attributable to Force Majeure events) in commencement of power flow in the inter-State transmission system of another inter-State transmission licensee which has achieved deemed COD, then the delayed inter-State transmission licensee or the generator, as the case may be, shall pay 20% of YTC of such inter-State transmission system OR 20% of AFC of such generating capacity (or the generation lost in case of RE), as the case may be,

Or

20% of YTC of the transmission system which has achieved deemed COD, whichever is lower, till such delayed inter-State transmission system achieves COD or such generating capacity achieves CoD

2. Additional Submission: Amendment to Clause (12) of Regulation 13 of the Principal Regulations

The amendment provides that:

(12) 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.

Submission: Through the second amendment, it is provided that in case a transmission licence achieves deemed CoD then the said licensee shall be paid 20% of YTC of its system for a period of 6 months from date of deemed COD or till commencement of actual power flow, whichever is earlier and 100% of YTC of its system from 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.

In this regard it is submitted that a disparity is also getting created in compensating the affected entity i.e. in case of transmission licensee it is getting 20% & 100% of its own YTC while in case there is non evacuation of power, the generator is entitled to get YTC corresponding to the quantum of connectivity for the period for which the transmission system has got delayed as provided in Principal Regulation 13(12)(8):

“In case a generating station or unit(s) thereof has achieved COD and the Associated Transmission System is delayed, the concerned inter-State transmission licensee(s) shall make alternate arrangement at its own cost for despatch of power of the generating station or unit(s) thereof in consultation with the Central Transmission Utility:

Provided that till such alternate arrangement is made, the inter-State transmission licensee(s) shall pay to the generating station, the Yearly Transmission Charge corresponding to the quantum of connectivity for the period for which the transmission system has got delayed.”

Hence in order to provide the equitable treatment it is submitted that a generator may also be paid 20% & 100% of its AFC (or the generation lost in case of RE) till the actual power flow commences and clause 13(8) may be modified as:

“In case a generating station or unit(s) thereof has achieved COD and the Associated Transmission System is delayed, the concerned inter-State transmission licensee(s) shall make alternate arrangement at its own cost for despatch of power of the generating station or unit(s) thereof in consultation with the Central Transmission Utility:

Provided that till such alternate arrangement is made, generating station or unit(s) thereof shall be paid 20% of AFC (or the generation lost in case of RE) of its station or unit thereof for a period of six (6) months from date of deemed COD or till commencement of actual power flow, whichever is earlier.

(b) generating station or unit(s) thereof shall be paid 100% of AFC (or the generation lost in case of RE) of its station or unit thereof 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.

- 3. Additional Submission:** While the amendment deals with payment of transmission charges for the delay on the part of transmission licence, however nothing has been mentioned for the cases when more than one transmission licensee or both transmission licence and generating station has also not achieved the COD.

It is pertinent to mention that the principal Regulation 2020 deals with such cases and following has been provided:

13 (12) (c) shared in the manner as decided by the Commission on case to case basis, where more than one inter-State transmission licensee is involved or both transmission system and generating station are delayed.

Therefore, it is submitted that in order to deal with the above cases, existing clause 13 (12) (c) of the principal Regulation 2020 may be retained.

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