

SRPC Secretariat’s Comments on the Draft Central Electricity Regulatory Commission (Sharing of Inter-State Transmission Charges and Losses) (Second Amendment) Regulations, 2023

Sl No	Provisions/ Items in the Draft Regulations	Existing/Proposed amendment	Modification Suggested	Remarks
1	3. Amendment to Regulation 11 of the Principal Regulations:	<i>(1) The words “to these regulations” shall be substituted with words “and sub clause (b) of Clause (12) of Regulation 13 of these regulations”, in Clause (3) of Regulation 11 of the Principal Regulations.</i>	<i>(1) The words “to these regulations” shall be substituted with words “and sub clause (c) of Clause (12) of Regulation 13 of these regulations”, in Clause (3) of Regulation 11 of the Principal Regulations.</i>	Sub clause (c) is relevant but not (b)
2	5. Amendment to Regulation 13 of the Principal Regulations:	<i>(1) The words “is delayed” in the main provision of Clause (3) of Regulation 13 of the Principal Regulations shall be substituted with words “has not achieved COD”:</i>	<i>(1) The words “is delayed” in the main provision of Clause (3) of Regulation 13 of the Principal Regulations shall be substituted with words “has not achieved COB”:</i>	
3	5. Amendment to Regulation 13 of the Principal Regulations:	<p><i>(2) Clause (12) of Regulation 13 of the Principal Regulations shall be substituted as under:</i></p> <p><i>“(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:</i></p> <p><i>(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.</i></p> <p><i>(b) The inter-State transmission licensee shall be paid 100% of YTC of its inter-State transmission system from seventh</i></p>	<p>➤ The cases in 12(a) & 12(b) & 12(c) may be inferred as that some transmission elements/system in a transmission scheme is declared deemed COD by ISTS Transmission Licensee but delayed in actual usage due to delay in commissioning of downstream/upstream/interconnection system by another ISTS Licensee or Intra-state Transmission Licensee</p> <p>➤ As per these provisions, even one or some elements commissioned (despite being implemented by one transmission licensee), 20% YTC up to 6 months from deemed CoD and 100% YTC from 7th month is to be payable from the transmission deviation charges collected from the DICs.</p> <p>➤ It may be noted that as per the Sharing Regulations 2020, the transmission deviation charges collected and T-GNA (after adjusting the amount of waiver) shall be reimbursed to DICs in the ratio of their first bill.</p>	

	<p><i>(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.</i></p> <p><i>(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:</i></p> <p><i>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.</i></p>	<p>With these provisions, DICs may not get their full reimbursement as some amount may be paid towards the YTC for the elements which have achieved deemed CoD (despite the elements may not be useful for the system). As such these provisions are indirectly impacting the DISCOMs which is contrary to the aspect mentioned at 1.11(b) in the Explanatory Memorandum(reproduced as below):</p> <p><i>“b) The liability of transmission charges for a system under deemed COD without any power flow, cannot be fastened on distribution licensees who are not getting benefit from the same.”</i></p> <ul style="list-style-type: none"> ➤ Also in case of shortfall in transmission deviation charges collected and the charges collected under T-GNA, the YTC as per 13(12)(a) & 13(12)(b) shall be paid from Deviation and Ancillary Service Pool Account under DSM Regulations. As per the DSM Regulations 2020, Deviation and Ancillary Service Pool Account to be maintained and operated by the Regional Load Despatch Centre for the respective region. It is not clear whether the YTC of the transmission element as in 13(12)(a) & 13(12)(b) shall be paid from the respective region’s pool account only. It is also not clear when there is deficit in the pool account of the respective region, whether the funds from the surplus pool account regions would be considered for this purpose also as DSM Regulations envisage using the surplus amount available in the Deviation and Ancillary Service Pool Accounts of other regions for settlement of payment under deviation & ancillary charges only. ➤ It is pertinent to note that in recent times the Deviation and Ancillary Service Pool Accounts of the Regions are in deficit or with meager surplus. Hence in case of shortfall in Deviation and Ancillary Service Pool Account in all Regions, it is not clear whether the balance amount to be recovered through the RLDC Fees and Charges for this purpose also. DSM Regulations envisage the balance amount shall be recovered through the RLDC Fees and Charges for settlement of payment under deviation & ancillary charges only. ➤ Hence the clarity on the above may please be incorporated appropriately. ➤ Paying from third bill in terms of Clause (3) of Regulation 12 of these regulations and the balance shall be paid from charges collected under T-GNA in terms of
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4	<p>5. Amendment to Regulation 13 of the Principal Regulations:</p>	<p>(2) <i>Clause (12) of Regulation 13 of the Principal Regulations shall be substituted as under:</i></p> <p><i>“(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:</i></p> <p>.....</p> <p><i>(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.</i></p>	<p>When the YTC of delayed inter-State transmission system may be far lower than the YTC of the transmission system which has achieved deemed COD, the purpose as mentioned in the Explanatory Memorandum given below may not be fulfilled:</p> <p><i>“.....sufficient to meet basic obligations of part of debt servicing and operation & maintenance (including employee costs) of an inter-State transmission licensee, whose deemed COD has been approved or declared.”</i></p> <p>Hence the condition of lower YTC may be removed as in the case of intra-State transmission licensee of its delayed intra-State transmission system as in 13(12) (e).</p>	
5	<p>5. Amendment to Regulation 13 of the Principal Regulations:</p>	<p>(2) <i>Clause (12) of Regulation 13 of the Principal Regulations shall be substituted as under:</i></p> <p><i>“(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</i></p>	<p>The provision 13(12) (f) may be modified as below:</p> <p><i>(f) The billing and collection for the charges in terms of sub-clauses (d) and (e) of this Clause shall be made in accordance with Clause (3) of</i></p>	<p>The provision 15(3) of the Principal Regulations are not mentioned/amended in these amendment Regulations.</p>

		<p><i>declared as deemed COD shall be treated as follows:</i></p> <p>.....</p> <p><i>(f) The billing and collection for the charges in terms of sub-clauses (d) and (e) of this Clause shall be made in accordance with Clause (3) of Regulation 15 of these regulations.</i></p>	<p><i>Regulation 15 of Principal Regulations.</i></p>	
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