

Ref no: SPTL/Draft TL Reg/Comments

Date: 18/12/2023

To
The Secretary,
Central Electricity Regulatory Commission
3rd & 4th Floor, Chanderlok Building, 36- Janpath,
New Delhi-1100 001.

Subject: Comments/suggestions on draft Draft Central Electricity Regulatory Commission (Procedure, Terms and Conditions for grant of Transmission Licence and other related matters) Regulations, 2023 by Sterlite Power Transmission limited (“SPTL”)

Ref: - Public Notice via Commission letter Ref No. L-1/270/2023/CERC dated 28.11.2023.

Dear Sir/Mam,

With reference to the public notice issued by the Honorable Commission for the subject matter of providing comments/suggestions/objections on the draft regulations formed. Please find attached Comments/suggestions from **Sterlite Power Transmission limited (“SPTL”)** attached as Annexure-1 to this letter.

For your kind perusal and consideration, please.

Thanking You,

For, Sterlite Power Transmission Limited



(Balaji Sivan)
Director- Policy, Regulatory & BD.

**Detailed Comments on CERC's Draft Regulations for
Procedure, Terms and Conditions for grant of Transmission License**

Clause	Clause as per Draft	Proposed Modification with Rational
Reg 5(5)	<p>5. Procedure for Grant of License (5) The applicant shall, within 3 days after filing the application, publish a notice of its application in Form-II, attached to these regulations, on its website and in at least two leading daily digital newspapers, one in English language and another in Indian language of the State or Union Territory where an element of the project or concerned transmission line is situated, inviting comments from the general public.</p>	<p>The applicant shall, within 3 days after filing the application, publish a notice of its application in Form-II, attached to these regulations, on its website and in at least two leading daily digital newspapers, one in English language and another as well as in Indian language of the State or Union Territory where an element of the project or concerned transmission line is situated, inviting comments from the general public.</p> <p>Keeping in mind the aspects of promoting ease of doing business, the requirement to publish Form-II or other such documents in newspapers should be excluded from the regulations.</p> <p>Infact, CERC in its Suo Moto order dated 22.01.2022 in 1/SM/2022 has observed that with a view to ease the regulatory process for stakeholders as identified by the Government of India and agreed to by the Commission for review, the Commission in exercise of the powers under Regulation 24 of the Transmission License Regulations 2009, directs that such information which was previously being submitted in physical form, may now be submitted to the Commission on its e-filing portal. The requirement of publication in newspapers shall be substituted by the provision for publication on the websites. Accordingly, Clause (10) of Regulation 7 of the Transmission License Regulations 2009 which provides for the applicant to give details of the newspapers in which the application has been published becomes redundant.</p>
Reg. 5(9)	<p>5. Procedure for Grant of Licence (9) The Central Transmission Utility shall send its recommendations, if any, to the Commission on the proposal made in the application as far as practicable within a period of 10 (ten) days from the date of receipt of the application with a copy to the applicant:</p> <p>Provided that if the Central Transmission Utility is unable to submit its recommendations within a period of 10 days, it shall inform the Commission the reasons for the same and submit its recommendations within a period of 30 (thirty)</p>	<p>It is appreciated that the Hon'ble Commission has a vision to optimize the overall timelines for grant of Transmission Licence process. In this vain, time available to all stakeholders has been decided equitably.</p> <p>However, a 30 day extension in form of a carve out created for Central Transmission Utility to submit their recommendations is not required. Especially as an initial time period of 10 days is already available.</p> <p>It is submitted that the initial period be extended to 15 days, and the 30 day extension over and above this period be removed from the regulations</p>

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	days from the date of receipt of the application.	
Reg 6 (3)	6. Determination of Transmission Charges (3) The connecting transmission line for a bulk consumer shall be constructed, maintained and operated at the cost of such bulk consumer.	It is suggested to add a provision for the cases where a bulk consumer is opting for a transmission licensee to construct, maintain and operate its connecting transmission line. The language addition is suggested accordingly.
Reg. 16 (1) (b)	16. Amendment of Licence (1) (b) Where an existing licensee who has been granted a transmission licence pursuant to selection under the competitive bidding guidelines, and is subsequently selected through the process under the competitive bidding guidelines to implement additional transmission element(s) under project mode, it shall be eligible to add such transmission element(s) to its existing licence, after making an application before the Commission in terms of this Regulation	From the explanatory memorandum, the Hon'ble Commission has a vision that if the TBCB projects are bid on a project basis in place of SPV basis, and an existing transmission licensee wins such bid, such transmission licensee may approach the Commission for amendment of its licence to include additional elements won for implementation under TBCB. It is suggested to add a provision in relation to the modality of the security creation of the projects as under current scenario, creditors are financing the SPVs and licensees are approaching the Commission for security creation and for change of lenders, etc under the SPV. Further, the lenders have subsequent rights to substitute company's management under their loan agreements. In such cases where a lender secures a CIRP against a developer and gets a favorable verdict from the NCLT for substituting a developer executing the scope of work which a specific lender has financed, license has to be amended accordingly - or reissued etc. Under the proposed model on project basis, the modality of security creation proceedings needs to be clearly spelled out for licensees.
Reg. 17	17. Revocation of Licence (1) The Commission may revoke or modify the licence (other than deemed licensee), in any of the following circumstances	From the explanatory memorandum, the Hon'ble Commission has a vision that if the TBCB projects are bid on a project basis in place of SPV basis, and an existing transmission licensee wins such bid, such transmission licensee may approach the Commission for amendment of its licence to include additional elements won for implementation under TBCB. It is suggested to add a provision in relation to revocation proceedings of the licensees as under current scenario, revocation proceedings are initiated by the Commission for the SPVs who have been granted license for implementing certain elements. Under the proposed model on project basis, the modality of revocation proceedings needs to be

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		clearly spelled out for licensees as the licensees may not be defaulting in respect of all projects being implemented under a license.
Form II	Form II: Form of Public Notice ... 3. Objections or suggestions, if any, be filed before the Secretary, Central Electricity Regulatory Commission, (Give address of the Office of the Commission), with a copy of the objection(s)/suggestion(s) to the applicant or its authorized agent, within 30 days of the publication of the notice in the newspaper.	The typographical error may be corrected, to show the revised provision for 15 days timeline for objections and suggestions to be replaced as per Regulation 5 (7) of the draft Regulations, 2023.