

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

CTUIL major Comments

Date: 01.05.2023

Treatment of TBCB-LD when ATS is delayed

Clause as per Regulations

13. (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

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.

As per TSA of TBCB Licensee

Clause 6.4 Liquidated Damages for Delay ...:.....
6.4.1 If the TSP fails to achieve COD of any Element, then **the TSP shall pay to the Nodal Agency, a sum equivalent to 3.33% of Monthly Transmission Charges**, for each day of delay up to sixty (60) days of delay and beyond that time limit, at the rate of five percent (5%) of the Monthly Transmission Charges applicable to such Element / Project, as liquidated damages for such delay and not as penalty, without prejudice to any rights of the Nodal Agency under the Agreement.”

Comments/Observations of CTU : In case of delay **by TSP**,

- As per Regulation 13(8), TSP shall pay the YTC of ATS to Connectivity Grantee.
- As per TSA clause 6.4, TSP shall pay YTC as LD to CTU.

Issues :- In case of delay by TBCB TSP, the applicability of LD as per TSA as well as YTC as per Regulations may be clarified by the Hon'ble Commission in the SoR to the Regulations, to avoid legal disputes during implementation.

In case of levy of LD and payment to CTU as per TSA, Hon'ble Commission may give suitable directions on disbursement of such receipt of LD

Recovery of Charges and LD for TBCB licensee

Clause as per draft Regulations	As per TSA of TBCB Licensee
<p>13. (12) For the cases other than the YTC for the inter-State transmission system approved or declared as deemed COD shall be treated as follows</p> <p>(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</p> <p>(d) In case an inter-State transmission licensee is responsible for the delay, 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.</p>	<p>6.2.2 - Once any Element of the Project has been declared to have achieved deemed COD as per Article 6.2.1 above,TSP shall be eligible for the Monthly Transmission Charges applicable for such Element.....</p> <p>6.3.1 - If the TSP is otherwise ready, but is not able to connect the Element(s) of the Project, due to Direct Non Natural Forceor Natural Force Majeure Event affecting the Nodal Agency,the Element(s) of the Project, be deemed to have achieved COD relevant to that date and to this extent, be deemed to have been providing Transmission Service with effect from the date notified,</p> <p>6.4.1 If the TSP fails to achieve COD of any Element, then the TSP shall pay to the Nodal Agency, a sum equivalent to 3.33% of Monthly Transmission Charges,</p>

Comments/Observations of CTU : In case of deemed COD of TBCB TSP 1 due to delay by TBCB TSP 2,

- **As per Regulation 13(12)**, TSP 1 shall get 20 % of its YTC from specified pool & TSP-2 shall pay lower of the YTC of TSP-1 or TSP 2 Irrespective of reason of delay.
- **As per TSA**, TSP-1 shall receive 100% YTC & TSP-2 shall pay 100 % of YTC as LD (if delay not condoned)

Recovery of Charges and LD for TBCB licensee

Clause as per draft Regulations

As per TSA of TBCB Licensee

Comments/Observations of CTU Contd.....

Issue :-

- ***As the provisions of Regulations and TSA are in variance as mentioned above, Hon'ble Commission may incorporate suitable clarification on applicability of provisions of Regulations vis-à-vis provisions of TSA.***
- ***In case of the RTM Projects where tariff is not approved / available, methodology of using indicative cost for settling the interim billing is suggested to the Hon'ble Commission.***

Thank You