

**Views of GRIDCO on Draft CERC
(Sharing of Inter-State
Transmission Charges and Losses)
(Second Amendment) Regulations,
2023**

Existing Regulation 14.4

- ▶ **Regulation 14.4 of the Principal Sharing Regulation, 2020:**

“Where the transmission charges were being billed to a distribution licensee or any designated agency in the State before coming into force of these regulations, the distribution licensee or the designated agency, as the case may be, shall be treated as DIC in that State for the purpose of preparation of Regional Transmission Account by Regional Power Committees and for the purpose of billing and collection of transmission charges by the Central Transmission Utility:

Provided that after coming into force of these regulations, the States may designate any agency as DIC for the above purpose”.

- ▶ GRIDCO is the designated DIC of Odisha in the prevailing LTA regime and GRIDCO is the only LTA holder in Odisha. So, the above Regulation is justified for the purpose of billing and payment by GRIDCO towards transmission charges.

Issue regarding existing Regulation 14.4

- ▶ In compliance with Regulation 18.1(e) of GNA Regulations, 2022, GNA of Odisha has been segregated by SLDC Odisha among 36 entities (drawee DICs) in Odisha and the same has been intimated to NLDC/CTU/STU vide letter No. 2973(6) Dt.30.12.2022.
- ▶ As per the GNA Regulations, all the DICs are on the same footing and cannot be treated in a different manner.
- ▶ One DIC cannot be served with the bills of the other DICs.
- ▶ Nodal agency i.e. CTU should be responsible for serving of transmission bills and collection of the billing amount from the drawee DICs.
- ▶ Gridco being one of the drawee DICs cannot be a claimant for the dues of CTU from other drawee DICs as all are on the same footing as DICs in accordance with the GNA Regulations

Questions on existing Regulation 14.4 during GNA Regime:

- ▶ If the Regulation 14.4 will be implemented in GNA Regime, the following questions will arise i.e.
 - i) On what basis the Transmission Bill of the State shall be segregated and served to other Drawee DICs of Odisha by GRIDCO.
 - ii) What Steps are to be taken by GRIDCO in case of non-payment/delay in payment by other drawee DICs?
 - iii) How the rebate provision be dealt when some DICs will not make timely payments?
 - iv) If some of the DICs will not pay in time, but GRIDCO is going to pay its dues in time, then how will GRIDCO avail the rebate.
 - v) In case of default of payment by any of the DICs, how the DPS will be dealt with
 - vi) In case of any litigation by any DIC in regard to billing & payment, who will take up such litigation and who will deal with same in appropriate legal forum.
 - vii) The billed amount , if collected by GRIDCO on behalf of drawee DICs shall be reflected in GRIDCO's balance sheet for which GRIDCO will be liable to pay I-Tax for such bills.

Proposal:

The Regulation 14.4 of existing Sharing Regulations, 2020 shall be amended, as proposed below:

14.4 Regional Transmission Accounts shall be prepared by Regional Power Committees considering all the drawee DICs. Central Transmission Utility shall be responsible for billing and collection of transmission charges from the drawee DICs

THANK YOU

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