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विद्युत मंत्रालय/ Ministry of Power
केन्द्रीय विद्युत प्राधिकरण/ Central Electricity Authority
आर. ए. प्रभाग/ Regulatory Affairs Division

विषय: Comments on the Staff Paper on Stakeholder's suggestions for necessary modifications in the GNA Regulations- Regarding.

Reference is invited to the Staff Paper on Stakeholder's suggestions for necessary modifications in the GNA Regulations, seeking comments/ suggestions/ objections from the stakeholders and interested persons.

In this regard, the Comments/ observations of Central Electricity Authority on subject are enclosed as Annexure -I.

Encl: As above.

Signed by Vikram Singh

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Annexure

**Central Electricity Authority
Regulatory Affairs Division**

Subject: Comments on the Staff Paper on Stakeholder's suggestions for necessary modifications in the GNA Regulations - Regarding.

1. **Issue No. 1: Substitution of GNA quantum under Regulation 17.1(i) to Regulation 17.1(iii) to the GNA Regulations**
 - i. Whether such substitution of GNA quantum under Regulation 17.1(i) to GNA/under Regulation 17.1(iii) should be allowed?
 - ii. If such substitution is allowed, should it be coupled with the following conditions:
 - a. The entity shall submit the NOC from the STU.
 - b. The entity shall be liable for payment of the charges of the intra-State network or relinquishment charges, as applicable.
 - c. The entity shall be radially connected with the ISTS as 17.1(iii) entity.

CEA comments:

- i. Substitution of GNA quantum under Regulation 17.1(i) to regulation 17.1(iii) may be allowed. There is no doubt that such substitution will lead to duplication of transmission system. Such duplication may not be significant in case of substitution by bulk consumers. However, if DISCOMS also start substituting their GNA from intra-state network to ISTS, the duplication may become significant. Therefore, a suitable restriction may be placed if a DISCOMS desires such substitution.
 - ii. The conditions to be coupled:
 - a. Yes, we agree that the entity should be required to submit the NOC from the STU. This will ensure payment of relinquishment charges as specified by the Appropriate Commission. However, a time limit for NOC may also be thought of.
 - b. Yes, the entity should be liable for payment of the charges of the intra-state network or relinquishment charges, as applicable.
 - c. Yes, the particular load for which GNA quantum to be substituted may be radial in case of build consumers. However, this may not be the case for DISCOMS.
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2. **Issue No. 2: Use of GNA of a Connectivity grantee by an entity connected with an intra-State network that is not a GNA grantee**
 - i. Whether such utilization of GNA of a GNA grantee can be allowed by an entity that is not a GNA grantee?
 - ii. If such use is allowed, should it be coupled with the following conditions:
 - a. Such request to be made along with the NOC from the STU towards

- availability of space in the intra-State network for such quantum of GNA and period.
- b. Such request for Utilization of GNA shall be from an entity located in the same State or same region as that of the GNA grantee. The additional directionalities that need to be imposed for considering the GNA Utilization beyond the state.
 - c. Such request should only be allowed based on the margin available in ISTS, and no augmentation in the ISTS is to be made to facilitate such use of GNA.
 - iii. Issue of Waiver of transmission charges: If entity 'B' draws power from RE resources, should the GNA grantee 'A' be allowed waiver in respect of such RE power drawl.

CEA comments:

- i. It may be allowed within same state after verifying technical feasibility.
- ii. With conditions as follows:
 - a. Yes, the entity should submit NOC from STU. However, a time limit for NOC may be specified.
 - b. The non GNA grantee entity should be liable for payment of the charges of the intra-State network or relinquishment charges, as applicable.
 - c. Yes
- iii. Waiver of transmission charges for entity 'B' may be allowed in such a case, as per terms and conditions applicable for GNA grantee 'A'.

3. Issue No. 3: Dual Connectivity to the Bulk Consumer for the same load capacity

- i. Whether such grant of GNA to Bulk Consumer through dual connectivity, i.e., for the same load capacity should be allowed or not?
- ii. If such a grant of GNA to Bulk Consumer through dual connectivity is allowed, can it be coupled with the following conditions:
 - a. NOC of the STU based on the commitment of bulk consumers to pay the applicable charges of the intra-State network if the applicant is already connected with the intra-State network and seeking GNA through direct connectivity with ISTS?
 - b. Commitment of bulk consumers to pay the applicable charges of ISTS if the applicable is already connected with the ISTS and seeking connectivity to the intra-State network.
 - c. Should only those Bulk Consumers be granted GNARE from ISTS, which is drawing only RE power through the intra-State network also. Further, after the granting of GNARE, if the user starts drawing non-RE power through the intra-state network, its GNARE may be converted into GNA with a waiver of the ISTS charges as applicable for GNA in terms of the Sharing Regulations, 2020.

CEA comments:

- i. In case of dual connectivity for the same quantum, construction of transmission system in both ISTS and intra-STS for the same capacity would be required. Therefore, it may be not allowed as it would lead to suboptimal transmission system. If the bulk consumers desire to use ISTS network for green power, they can do so while remaining connected to STU system by paying applicable transmission charges. On the other hand, if they wish to connect to ISTS but desire to carry out banking with Discoms, they can do so through ISTS network by paying appropriate transmission charges.

4. Issue No. 4: Provision of Conn BG-2 for Bulk Consumer

- i. Whether the implementation of the system for providing connection to the ISTS for the grant of such GNA to the entity covered under Regulation 17.1(iii) should be implemented as ISTS under TBCB/RTM, for which the concerned entity shall submit Conn-BG2?
- ii. Whether post construction under ISTS, transmission charges for such ATS or dedicated elements like ICT, etc, should be bilaterally billed to such Bulk Consumer or should be considered under the transmission charges pool?
- iii. Should charges of such system for providing connection to the ISTS, to be constructed under ISTS, be paid by the entities under GNA/GNARE where more than 50% of the transmission charges are waived off?

CEA comments:

- i. We agree that the system for providing ISTS connectivity to the entity covered under Regulation 17.1 (iii) should be implemented as ISTS under TBCB/RTM, for which the concerned entity shall submit Conn-BG2.
- ii. Transmission charges for such ATS or dedicated elements like ICT, etc, should be bilaterally billed to such Bulk Consumer.
- iii. As mentioned in (ii), above, charges of ATS for such dedicated system should be paid by such entities under GNA/GNARE , irrespective of waiver of transmission charges.

5. Issue No. 5: Utilisation of the Connectivity granted to a subsidiary by another subsidiary of the same Parent company

Whether such Utilization of Connectivity among the different subsidiaries of the same Parent company should be allowed or not?

CEA comments:

It may not be allowed without adequate safeguards as there is possibility of squatting.

For the Connectivity following conditions may be ascertained:

(i) company which has been granted connectivity must retain a minimum of 51% equity in the project (which is to be connected to ISTS) and should be prohibited from diluting their equity until the project achieves its COD.

(ii) GNA applicant company should be a subsidiary of the parent company at the time of filling GNA application to the nodal agency. This is to avoid rent-

seeking by the GNA applicant (say A) to become amenable to acquisition by another company (B) or to majority ownership by another company (B), which will allow B to become parent of A at a later date.

6. **Issue No. 6: Platform for providing NOC by the STU in a time-bound and a transparent manner**

Whether such a centralized online platform is required to be implemented for processing the application for grant of NOC by the STU in terms of availability of transmission capacity in the intra-State network?

CEA comments:

There is need for a centralized online platform for providing NOC as it will lead transparency and thereby facilitate timely issuance of NOC. There is already an example of NOAR to follow.

7. **Issue No. 7: Provision for grant of Solar hours Connectivity and Non-Solar hours Connectivity through the same Transmission system**

Should existing solar generators (without storage) also be given the option to install storage for Utilization of connectivity/GNA during non-solar hours by submitting an application to CTUIL within three months and installing within a period of 24 months. Failing which connectivity/GNA during non-solar hours shall be utilized to grant another connectivity through the same transmission system as 'non-solar hour connectivity' to another applicant, based on the other RE resources or storage plant, for injection of power during non-solar hours?

CEA comments:

The proposal to segregate connectivity between solar and non-solar hours is a welcome and progressive step. Under the GNA norms, connectivity to solar generators is allocated but is utilised only during solar hours. This results in significant part of transmission system remaining idle or underutilized for the rest of the hours. The country needs peaking capacity urgently therefore, it would not be ideal to wait for the existing connectivity holders to take 3 months to decide and then take another 2 years to develop project. In our opinion, the projects for utilising the connectivity during non-solar hours should be bid out, wherein the existing connected projects will in any case have an edge. The bidders offering lowest price for supply during non-solar hours may also be granted connectivity.

Further, the existing connectivity grantee should be mandated to share the

dedicated grid infrastructure (terminal bay and the dedicated transmission line) with payment of charges for the dedicated transmission infrastructure. In our opinion, such charges should be regulated by CERC and not left only to the outcome of negotiations. This will obviate delays and disputes and hence pave way for early utilization of connectivity during non-solar hours.

8. Issue No. 8: Provision for Minimum Transmission Capacity Utilisation for Hybrid ISTS Connectivity

Whether the minimum annual capacity utilization of the Connectivity by the RHGS should be mandated or not.

CEA comments:

We agree that minimum annual capacity utilization of the connectivity by the RHGS should be mandated. However, the such minimum annual capacity utilization will depend on configuration and location of the project. CTU may be advised to prepare procedure for setting the minimum annual utilization in consultation with the stakeholders.
