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**To:** "Shilpa Agarwal" <shilpa@cercind.gov.in>, cerc-secy@cercind.gov.in
**Sent:** Monday, December 2, 2024 6:55:19 PM
**Subject:** SLDC, Karnataka suggestions on Staff Paper on Stakeholder's suggestions for necessary modifications in the GNA Regulations

Sir/Madam ,

Please find the attachment of SLDC, Karnataka suggestions on Staff Paper on Stakeholder's suggestions for necessary modifications in the GNA Regulations

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Regards
CHIEF ENGINEER(ELECTY..)
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# SLDC, Karnataka suggestions on Staff Paper on Stakeholder's suggestions for necessary modifications in the GNA Regulations:

**Issue No. 1:** Substitution of GNA quantum under Regulation 17.1(i) to Regulation 17.1(iii) to the GNA Regulations

**SLDC Karnataka views:** The substitution of General Network Access (GNA) could facilitate the utilization of national transmission assets, rather than placing a burden on specific consumer areas. This approach would help in socializing the costs by using assets more efficiently. Overall, it is expected to be beneficial for power sector users and simplify business operations for bulk consumers. However, it is important to ensure that the interests of intra-state transmission and distribution licensees are protected by allowing them to recover their prudent costs.

Additionally, the relinquishment of intra-state transmission assets by bulk consumers could result in an undue burden on remaining consumers. Therefore, the decision regarding the relinquishment of such assets should be carefully considered by the commission. Other measures, such as requiring the entity to obtain a No Objection Certificate (NOC) from the State Transmission Utility (STU) and ensuring the payment of intra-state transmission charges as per the State Electricity Regulatory Commission (SERC) regulations, seem fair and acceptable.

Allowing the entity to connect to both the Inter-State Transmission System (ISTS) and Intra-State Transmission System (InSTS) could be advantageous, as it would help to improve overall transmission capacity, especially given the current challenges related to Right of Way (ROW).

Finally, it is crucial to note that the bulk consumer should be responsible for all GNA-associated charges as determined by the Hon'ble Commission from time to time, and these costs should not be passed on to the respective distribution licensees.

**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

**SLDC Karnataka views:** The principal GNA regulations clearly define the specific conditions for GNA drawees, including applicable charges. However, the treatment of non-GNA grantees deviates from the core principles of the GNA framework. Non-GNA grantees are subjected to two types of transmission charges: one payable to the original GNA grantee and another for the GNA they avail as non-GNA grantees. This undermines the fundamental structure of the GNA regulations and could destabilize the entire framework. Therefore, the commission must approach its decisions with great care and consideration.

If the commission determines that aligning the interests of the power sector as a whole is beneficial, it may consider harmonizing the core structure of the GNA and IEGC regulations from both commercial and operational perspectives.

Furthermore, as mandated by the Ministry of Power (MOP) to meet the Renewable Purchase Obligation (RPO), the consumer may opt for open access with an existing GNA grantee. However, failure to do so could result in non-compliance with the RPO requirements.

Therefore, the commission should ensure that both consumers' and GNA grantees' interests are protected through a thoughtful and balanced decision. The proposed suggestions in the staff paper in this regard appear to be reasonable.

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

**SLDC Karnataka views:** The ultimate goal of the power sector is to ensure a reliable and high-quality power supply to end consumers as mandated in EA-2003. This includes any person supplied with electricity for their own use by a licensee, the government, or any other entity engaged in the business of supplying electricity to the public, as per the relevant laws in force. It also covers any person whose premises are connected to the works of a licensee, the government, or such other entity for receiving electricity. To achieve this, the commission must allow consumers to exercise their rights as provided under the Act, in its true spirit, and give them the freedom to choose both connectivity options that ensure reliable and efficient power supply.

From a business perspective, restricting bulk consumers to only the Inter-State Transmission System (ISTS) could lead to intra-state transmission licensees losing business opportunities. On the other hand, if most consumers opt for the ISTS network, intra-state transmission licensees may face challenges. Hence, commission shall allow choice of connection to the consumers.

From an operational standpoint, the jurisdiction of the Load Dispatch Centre (LDC) for control areas must be clearly defined for consumers, as is the case for generators, in accordance with Regulation 43 of the IEGC-2023.

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

**SLDC Karnataka views:** The initiative to establish a platform for providing No Objection Certificates (NOC) by the State Transmission Utility (STU) in a time-bound and transparent manner is a welcome step. It is highly appreciated, and we request that a detailed procedure be developed, similar to the process followed under NAOR, to ensure clarity and efficiency.

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

**SLDC Karnataka views:** The concept of utilizing transmission assets based on the time of generation, in line with the availability of resources during both day and night, is an excellent initiative. This approach will not only help reduce power purchase costs but also enhance the utilization of transmission assets across various resources, based on their generation times.

However, clarity is needed regarding the priority for allowing generation sources during real-time scheduling, especially when different types of resources are interconnected. For example, consider a Renewable Hybrid Generation System (RHGS) with 1000MW of connectivity, consisting of 700MW of solar, 300MW of hydro, and 100MW of storage.

In real-time scheduling, the solar generation could be scheduled at 700MW, hydro at 300MW, and storage at 100MW. In such a case, the total scheduled generation (1100MW) exceeds the 1000MW connectivity limit. It is essential to specify how the Load Dispatch Centre (LDC) should

prioritize scheduling across these resources, given that the total generation shall not exceeds the connectivity capacity. Hence it is suggested to consider the scheduling of resources as per Merit order despatch within the connectivity.

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

**SLDC Karnataka views:** Mechanisms like these must be established to minimize stranded capacity in transmission assets. Without such provisions, users may retain unused capacity without considering relinquishment or surrendering, leading to suboptimal utilization of assets. This behaviour should be addressed to ensure that transmission assets are used optimally. Therefore, this proposal should be implemented with appropriate riders to encourage users to relinquish or optimize unused capacity, ensuring better efficiency and resource utilization in the grid.