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Subject: SRPC Secretariat comments on CERC Staff Paper

महोदय /Sir महोदया / Madam

Please find SRPC secretariat comments on CERC Staff Paper.

भवदीय /Regards सदस्य सचिव/MS, SRPC

SRPC Secretariat comments 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

- 2.6 Considering the above, Comments and suggestions are sought from stakeholders on the following issues:
- i. Whether such substitution of GNA quantum under Regulation 17.1(i) to GNA/under Regulation 17.1(iii) should be allowed?

SRPC Secretariat: State might be giving connectivity based on Policy of investment and Infrastructure Development and may have tied Long term PPAs to cater this demand. Therefore intra-Sate entity, including a distribution licensee having GNA covered under Clause (i) of Regulation 17.1 can substitute its GNA with GNA under Clause (ii) of Regulation 17.1 then an intra-Sate entity under 17.1(i) may be allowed substitution under 17.1(iii) after consultation in FOR.

- ii. If such substitution is allowed, should it be coupled with the following conditions:
- a. the entity shall submit the NOC from the STU.

SRPC Secretariat: Yes required.

b. the entity shall be liable for payment of the charges of the intra-State network or relinquishment charges, as applicable.

SRPC Secretariat: Yes STU might have invested to ensure connectivity and may have tied up power on long term basis and only part recovery of transmission charges had been made so there needs to be relinquishment charges for InSTS. Futher PPA compensation, if any, may be discussed in FOR.

c. the entity shall be radially connected with the ISTS as 17.1(iii) entity

SRPC Secretariat: Yes it is better to have radial connectivity with ISTS. If dual connectivity is retained than power drawl from ISTS may be the only access point while InSTS point may be State drawl Point. If it continues to draw power from InSTS than it should clearly define the GNA to ISTS and Connectivity to InSTS. The Entity should continue to pay the InSTS charges and other applicable charges for Connectivity to InSTS. Further some charges may be considered for maintaining connectivity with ISTS as it derives full right upto its GNA quantum for ISTS while many a times it will avail power from InSTS. The partial blocking or usage of ISTS would be at the expense of existing GNA grantees.

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

- 3.4 Considering the above, Comments and suggestions are sought from stakeholders on the following issues:
- i. Whether such utilisation of GNA of a GNA grantee can be allowed by an entity that is not a GNA grantee?

SRPC Secretariat: to provide ISTS power to GNA Grantee both ISTS and InSTS system may be required. GNA drawl point is critical in such cases. Therefore new GNA may be taken at new location (in same State or some other state in same Region) by the Entity for some quantum and balance can GNA be utilised from GNA of other location.

- 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

SRPC Secretariat: Yes NOC from both STU may be required.

b. Such request for utilisation of GNA shall be from an entity located in the same State or same region as that of the GNA grantee. The additional conditionalities that need to be imposed for considering the GNA utilisation beyond the state.

SRPC Secretariat: In both cases whether within the state or some other state within Region additional conditionalities (such as lines, margins etc) are needed to be specified as drawl is specific to location.

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.

SRPC Secretariat: Yes, no augmentation of ISTS or InSTS may be envisaged. If any augmentation is required it may be booked on the respective entity.

d. Such utilisation shall be restricted to GNA only and not GNARE.

SRPC Secretariat: May not be given GNARE as the transmission charges are waived off for ISTS. This may affect the other GNA grantees commercially.

The minimum time period also needs to be specified, otherwise toggling on daily basis would be difficult to implement.

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.

SRPC Secretariat: The waiver may be given to entity who avails RE power.

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?

SRPC Secretariat: We feel it should not be allowed as correctly pointed out 'There may be the possibility that such Bulk Consumers may seek GNARE from ISTS and avail of full ISTS transmission charges waiver; however, on the other side, they draw non-RE Power from the intra-State network. In such a situation, redundant capacity may be developed in the system for an entity that is not actually paying the transmission charges for such a transmission system.' Further other hours liability with additional cost will be on STU/Discom to supply power. There are clear provisions if GNA-RE entity draws power other than RE they have to pay premium rates but here the objective will be lost. The additional charges help in reducing the ISTS Transmission Charges. Therefore clear GNA from ISTS and Connectivity from InSTS is required.

The Entity with dual Connectivity will have right to use ISTS upto its GNA but it will use power from InSTS, so the entity blocks and fully utilises its ISTS access (this will be at the expense of other GNA Grantees). Similar is the case for the States their transmission system may be underutilised and even any PPA tied up to supply this power may be affected.

Therefore dual connectivity entity may pay some Connectivity Charges per month/capacity which may be utilised reducing the ISTS transmission charges.

If ISTS connected takes GNA RE it encourages availing of RE power. But dual connected entity will take RE power from ISTS and take other power from InSTS then there is slight discrimination between directly connected ISTS entity and dual connected (InSTS & ISTS) and the objective of availing only RE power is getting constraint.

Similar is the case for ISTS connected entity availing GNA RE and state embedded entity availing GNA RE

- 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?

SRPC Secretariat: Yes commitment to pay charges for InSTS and other applicable charges of the STU/Discom needs to be ensured by the Entity.

b. Commitment of bulk consumer to pay the applicable charges of ISTS if the applicant is already connected with the ISTS and seeking connectivity to the intra-State network.

SRPC Secretariat: Yes, commitment to pay charges for ISTS is required. There may be some charges defined for ISTS connectivity whether the entity avaolsit or not.

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.

SRPC Secretariat: Yes such checks may be required to avail the benefits of GNA-RE.

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

- 5.5 Considering the above, Comments and suggestions are sought from stakeholders on the following issues:
- 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?

SRPC Secretariat: Yes the ISTS system maybe built under TBCB/RTM and Conn-BG2 may be taken.

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?

SRPC Secretariat: Dedicated Elements may be billed directly.

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?

SRPC Secretariat: Dedicated Elements may be billed directly. Shared dedicated elements may be billed on proportionate capacity.

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

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

SRPC Secretariat: May require deliberation on possible misuse .

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

7.6 Considering the above, Comments and suggestions are sought from stakeholders, 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?

SRPC Secretariat: Portal may bring accountability and efficiency. Portal may be developed by CTU.

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

h) Considering the above, Comments and suggestions are sought from stakeholders on the abovementioned proposed model of "Solar-hour Connectivity" and "non-Solar hour Connectivity".

SRPC Secretariat: It may help utilisation of resources in more effective manner. Solar-based REGS, shall be mandated to share the dedicated grid infrastructure (terminal bay and the dedicated transmission line) with payment of charges for the dedicated transmission infrastructure. It would be better if CERC decides some benchmark rates rather on mutual terms, which will facilitate smoother integration

i) Should existing solar generators (without storage) also be given the option to install storage for utilisation 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 utilised 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?.

SRPC Secretariat: Yes opportunity may be given. The rules may be standardised to avoid any dispute in future.

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

8.7 Considering the above, Comments and suggestions are sought from stakeholders on the above proposal whether the minimum annual capacity utilization of the Connectivity by the RHGS should be mandated or not.

SRPC Secretariat: Yes Minimum annual capacity utilisation may be a good step.