

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Petition No. 123/MP/2024

Subject : Petition seeking the exercise of Power to Remove Difficulty under Regulation 42 of the CERC (Connectivity and General Network Access to the inter -State Transmission System) Regulations, 2022, and under Section 178 (2) and 79 (1) (h) & (g) of the Electricity Act to remove difficulties and amend certain provisions of the of the Central Electricity Regulatory Commission (Connectivity and General Network Access to the inter - State Transmission System) Regulations, 2022.

Petitioner : NTPC Vidyut Vyapar Nigam Limited (NVVN)

Date of Hearing : **19.9.2024**

Coram : Shri Jishnu Barua, Chairperson
Shri Ramesh Babu V., Member
Shri Harish Dudani, Member

Parties present : Ms. Swapna Seshadri, Advocate, NVVN

Record of Proceedings

Learned counsel for the Petitioner, NVVN, submitted that the present Petition had been filed *inter-alia* seeking the removal of difficulties and the amendment to certain provisions of the GNA Regulations. Learned counsel mainly made the following submissions:

(i) While Regulation 17.1(iv) of the GNA Regulations recognizes that trading licensees engaged in cross border power trade are eligible for grant of the GNA for the drawee or buying entity. However, neither the cross-border generating entity nor a cross-border drawing entity, i.e., participating entities located in the neighbouring countries by the use of the Indian grid, has been recognized in Regulation 17.1.

(ii) Prior to the GNA regime, the CBTE Regulations 2019 required a participating entity located in a neighbouring country to seek connectivity or any form of access by way of separate applications. It specifically kept the cross-border trading entities out of the requirement to seek connectivity in case the participating entity is getting connected to the Indian grid through cross border transmission link.

(iii) Since the trader is merely an intermediary, it cannot replace the participating entity for the purpose of such application, which would entail severe financial consequences. Therefore, any cross-border entity/participating entity should be

recognised as an eligible entity under Regulation 17.1 by an appropriate amendment to the GNA Regulations.

(iv) However, since such amendment is a long process, the Petitioner is requesting the Commission to exercise the Power to Remove Difficulties under Regulation 42 of the GNA Regulations and, thereby, permit the processing of applications under Regulation 8 of the CBTE Regulations, 2019 by the CTUIL, till such time an appropriate amendment can be brought in.

(v) Also, the nature of the deemed GNA granted to any entity is not limited to the period of contract but is of a longer or perpetual nature unless the entity relinquishes or opts for a temporary GNA. However, keeping in view the nature of the cross-border transactions, including the period of such PPA being dependent upon multiple factors, the time period of deemed GNA needs to be linked with the period of the PPA insofar as the participating entity/ cross-border entity is concerned.

(vii) Since the inclusion of such provisions would require some time, it is requested that the Commission exercise the Power to Relax and the Power to Remove Difficulties for an interim solution of linking the deemed GNA to the period of the PPA till such an amendment is introduced.

(viii) The prayers of the Petitioner seeking relaxation/removal of difficulties and an amendment to the provisions of GNA Regulations be considered in seriatim.

2. Considering the submissions made by the learned counsel for the Petitioner, the Commission ordered as under:

(i) The Petitioner to implead CEA, CTUIL, and NLDC, as well as PTCIL and Tata Power Trading Co. Ltd. (trading licensees engaged in cross-border trade of electricity) as parties to the Petition and file a revised memo of parties within a week.

(ii) Issue notice on the Respondents to be impleaded as party to the Petition, on maintainability as well as merits.

(iii) The Respondents to file their respective replies, if any, within three weeks with a copy to the Petitioner, who may file its rejoinder within three weeks thereafter.

(iv) The Petitioner to file an affidavit within two weeks clarifying the aspects of maintainability as well as merits of the Petition.

(v) The CEA is requested to submit within three weeks its opinion on the proposal of the Petitioner.

3. The Petition will be listed for the hearing on **21.11.2024**.

By order of the Commission

Sd/-

(T.D. Pant)

Joint Chief (Law)