



A Maharatna Company

एन टी पी सी लिमिटेड
(भारत सरकार का उद्यम)

NTPC Limited
(A Govt. of India Enterprise)

केन्द्रीय कार्यालय / Corporate Centre

Date: 08.03.2024

The Secretary
Central Electricity Regulatory Commission,
3rd & 4th Floor, Chanderlok Building,
36, Janpath,
New Delhi-110001

Subject: NTPC submission on Draft CERC (Connectivity and General Network Access to the inter-State Transmission System) (Second Amendment) Regulations, 2024.

Sir,

Hon'ble Commission has published Draft CERC (Connectivity and General Network Access to the inter-State Transmission System) (Second Amendment) Regulations, 2024 and has invited comments from various stakeholders on the draft regulation.

In this regard, please find enclosed submissions of NTPC on Draft CERC (Connectivity and General Network Access to the inter-State Transmission System) (Second Amendment) Regulations, 2024.

Thanking you,

Yours sincerely

Ajay Dua
ED (Commercial)

NTPC Submissions on the Draft GNA (second amendment) 2024 Regulations

1. Para (3) of the draft amendment, proposes amendment to Regulation 3.5 of the GNA regulations 2022 as follows:

“The words “one week” before the words “of the receipt of application” shall be substituted with the words “Eighteen (18) days” in Regulation 3.5 of the Principal Regulations.”

Submission: It is submitted that considering short period of 7 days, the draft amendment proposes to increase the time duration for scrutiny of application by CTU to 18 days.

Since the time duration provided to applicant to reply the CTU queries of 7 days is also very short, it is requested that applicant may also be provided a duration of 18 days in place of one week to reply the CTU queries before the deduction of 20% application fee. Therefore, Clause 3.5 of GNA regulations 2022 may be amended as below:

*“After scrutiny, the Nodal Agency shall intimate the deficiencies, if any, in the application for grant of Connectivity or grant of GNA, to the Applicant within **Eighteen (18) days** of the receipt of application, in order of date and time of receipt of application. The Applicant shall rectify the deficiency **within Eighteen (18) days thereafter**, failing which the application shall be closed and 20% of the application fee shall be forfeited. Balance 80% of the application fee shall be refunded by the Nodal Agency to the Applicant within 15 days of closure of the application.”*

2. Para (5) of the draft amendment proposes amendment to Regulation 5.8 of the GNA regulations 2022 provides that sub-clause (d) shall be added after sub clause (c) as below:

“(vii) In case of Renewable Power Park Developer, the documents shall be submitted in combination of clauses (a) and (b) or combination of clauses (a) and (c) as specified hereunder:

(a) Authorisation by the Central Government or the State Government, as applicable, to undertake infrastructural activities including arrangement for Connectivity on behalf of solar power generators or wind power generators.

(b) Registered Title Deed as a proof of Ownership or lease rights or land use rights for 50% of the land required for the capacity for which Connectivity is sought.

(c) For a capacity up to 1000MW - Bank Guarantee of Rs. 10 lakh/ MW and for a capacity more than 1000MW - Bank Guarantee of Rs. 100 Crore plus Rs. 5 lakh/

MW for capacity over and above 1000MW, in lieu of ownership or lease rights or land use rights of land for 50% of the land required for the capacity for which Connectivity is sought subject to provisions of Regulations 11A and 11B of these regulations: or

(d) Government Order issued by the concerned Government for allotment of the land along with possession documents for 100% of the land required for the capacity for which Connectivity is sought.”

Submission: In order to facilitate the development of solar park being monitored by MNRE under solar park scheme if the government order has been issued by the concerned government for the allotment of land to a parent company the same may be allowed to be utilized by its subsidiary company as authorised by MNRE for the development of solar park.

Therefore, Clause 5.8 (vii) (d) may be modified as below:

“d) Government Order issued by the concerned Government for allotment of the land in the name of applicant or its parent company having minimum 51% shareholding in the applicant’s company along with possession documents for 100% of the land required for the capacity for which Connectivity is sought.”

Additional Comments:

3. Regulation 8.1 of GNA Regulation 2022 provides that:

“Connectivity Bank Guarantee shall be submitted by an Applicant in three parts, Conn-BG1 amounting to Rs. 50 lakhs, and Conn-BG2 and Conn-BG3, as provided in Regulations 8.2 and 8.3 of these regulations.”

Submission: It may please be noted that under Connectivity Regulation 2009, furnishing of BG by the generators who have already tied up for sale of power on ex bus basis by signing the PPA for full capacity or for CGS where power allocation is done by Gol were exempted from furnishing the BGs.

For these Generators the sale of power is on exbus basis and buyers shall be making their own arrangement for evacuation of power. Further the liability of payment of transmission charges shall be with buyers only and in above cases buyers have already been identified.

The requirement of furnishing the BG is only adding to the system cost without achieving the purpose. Therefore, these generators may not be burdened with cost of furnishing BG and the provision of exemption of furnishing the BG as was existing the in-Connectivity Regulation 2009 may please be provided.

Therefore, the Regulation 8.1 may be modified as:

“Connectivity Bank Guarantee shall be submitted by an Applicant in three parts, Conn-BG1 amounting to Rs. 50 lakhs, and Conn-BG2 and Conn-BG3, as provided in Regulations 8.2 and 8.3 of these regulations.

Provided In case of applicants who have already firmed up the entities to whom electricity is proposed to be supplied and for which connectivity has been sought, through signing of PPA or, in the case of Inter- State Generating Stations owned by the Central Government where allocation of power to various beneficiaries as notified by Central Government, the applicant shall not be required to submit any Bank Guarantee (BG).”

4. Regulation 17.1 of GNA Regulation 2022 provides the following:

“17.1 Eligibility for GNA

17.1. The following entities shall be eligible as Applicants to apply for grant of GNA or for enhancement of the quantum of GNA:

- i. State Transmission Utility on behalf of intra-State entities including distribution licensees;*
- ii. A drawee entity connected to intra-State transmission system;*
- iii. A distribution licensee or a Bulk consumer, seeking to connect to ISTS, directly, with a load of 50 MW and above;***
- iv. Trading licensees engaged in cross border trade of electricity in terms of the Cross Border Regulations;*
- v. Transmission licensee connected to ISTS for drawal of auxiliary power.”*

Submission: As per the provisions of GNA Regulation a bulk consumer can seek connectivity to the ISTS however in order to facilitate bulk consumers, it is requested that the bulk consumers with a load of 50 MW and above, may also be allowed to seek connectivity to ISTS through the electrical system of a generating station already having Connectivity to ISTS as being allowed for REGS or ESS.

Further the same may be allowed if such an entity applying for grant of Connectivity to ISTS has an agreement with the said generating station to share its electrical system.

Accordingly, the clause 17.1 (iii) may be modified as follows:

“17.1 (iii) A distribution licensee or a Bulk consumer, seeking to connect to ISTS, directly, with a load of 50 MW and above **or through the electrical system of a generating station already having Connectivity to ISTS.**

Provided that such an entity applying for grant of Connectivity to ISTS has an agreement with the said generating station to share its electrical system.”

5. Clause 8.2 (c) of the GNA Regulations-2022 provides that:

“.... Conn-BG1, Conn-BG2 and Conn-BG3, as applicable, shall be furnished within 1 (one) month of intimation of in-principle grant of Connectivity, failing which the application for Connectivity shall be closed and application fee shall be forfeited....”

Submission: It is submitted that the applicant has been provided a time period of one month for the submission of BGs, however the same is very short. It is requested that at least 2 months' time may please be provided for submission of BGs.

Therefore, Clause 8.2 (c) may be modified as below:

*“..Conn-BG1, Conn-BG2 and Conn-BG3, as Applicable, shall be furnished **with in Two (2) month** of intimation of in-principle grant of Connectivity, failing which the application for Connectivity shall be closed and application fee shall be forfeited..”*

6. Clause 8.3 (a) of the GNA Regulations-2022 provides that:

*“The entity that has been intimated in-principle grant of Connectivity, shall submit its consent for execution of ATS and terminal bay(s), as intimated under Regulation 7.2 of these regulations, along with Conn-BG1, **within one month** of intimation of in-principle grant of Connectivity, failing which the application for Connectivity shall be closed and application fee shall be forfeited.”*

Submission: It is submitted that the time period of one month provided for the submission of BGs, is very short. It is requested that at least 2 months' time may please be provided for submission of BGs.

Therefore, Clause 8.3 (a) may be modified as below:

*“The entity that has been intimated in-principle grant of Connectivity, shall submit its consent for execution of ATS and terminal bay(s), as intimated under Regulation 7.2 of these regulations, along with Conn-BG1, **within Two (2) month** of intimation of in-principle grant of Connectivity.”*

7. Clause 22.4(a) of the GNA Regulations-2022 provides that:

“For Connectivity grantees covered under Regulation 4.1 of these regulations, the effective date of GNA of such Connectivity grantees shall be the start date of Connectivity or COD of ATS, whichever is later.....”

Submission: It is submitted that due to force majeure or due to reasons beyond the reasonable control of the generator, the execution of thermal / hydro projects may get delayed and appropriate commission after condoning the delays approves the revised SCOD of the project. Hence in such cases the revised SCOD is required to be considered for the effectiveness of GNA.

In case of RE projects the extension in Scheduled commencement of Supply date (SCSD) may be granted by REIA/Procurer due to delay in adoption of tariff by appropriate commission, force Majeure or reasons beyond the control of the RE generator. Hence in such cases also the date of effectiveness of GNA may be considered based on the revised SCSD of the project as considered by REIA/Procurer.

The same is required so that GNA effectiveness is matched with COD of the project and any financial implication on generator due to reasons beyond its control may be avoided.

In view of above, Clause 22.4(a) may be modified as follows:

*“For Connectivity grantees covered under Regulation 4.1 of these regulations, the effective date of **GNA of such Connectivity grantees shall be the start date of Connectivity/ Revised SCOD of the thermal / hydro project as approved by the appropriate commission / Revised COD of RE project based on the extension provided by REIA/Procurer in the SCSD of the Project or COD of ATS, whichever is later...**”*

8. Clause 24.6(1)(a)(ii) of the GNA Regulations-2022 (after first amendment) provides that:

“24.6 Revocation of Connectivity: 1 (a)Connectivity shall be revoked for the corresponding capacity, if the Connectivity and corresponding GNA has been made effective in terms of Clause (a) of Regulation 22.4 of these regulations and the Connectivity grantee fails to achieve COD either in full or in parts on or before,

.....

(ii) six months after the scheduled date of commercial operation as intimated at time of making application for grant of Connectivity, for cases covered under clause (xi)(b) or (xi)(c) of the Regulation 5.8.”

Submission: It may please be noted that the applicant makes an application with an anticipated start date of connectivity however in some cases the start date of connectivity as granted is either start date of connectivity as revised by the applicant before final grant of connectivity or anticipated COD of ATS which may be later than the start date of the connectivity sought.

Therefore, revocation of connectivity should be considered after six (6) month of **effectiveness of GNA** (i.e. start date of the connectivity as mentioned in the final grant of connectivity or COD of ATS whichever is later) instead of scheduled date

of commercial operation as intimated at time of making application for grant of Connectivity.

Therefore, the clause 24.6(1)(a)(ii) may be modified as:

*“Six months after **the effectiveness of GNA** for cases covered under clause (xi)(b) or (xi)(c) of the Regulation 5.8.”*

9. Clause 24.6(1)(d)(ii) of the GNA Regulations-2022 (after first amendment) provides that:

“(d) Connectivity granted to a Renewable Power Park developer shall be revoked for the corresponding capacity, if the generating station(s) within the Power park fails to achieve COD on or before,

.....

(ii) six months after the scheduled date of commercial operation for generating station(s) being set up without LOA or PPA.”

Submission: It may please be noted that the applicant makes an application with an anticipated start date of connectivity however in some cases the start date of connectivity as granted is either start date of connectivity as revised by the applicant before final grant of connectivity or anticipated COD of ATS which may be later than the start date of the connectivity sought.

Therefore, revocation of connectivity should be considered after six (6) months of effectiveness of GNA (the start date of the connectivity as mentioned in the final grant of connectivity or COD of ATS whichever is later) instead of scheduled date of commercial operation as intimated at the time of making application for grant of Connectivity.

Therefore, the clause 24.6(1)(d)(ii) may be modified as below:

“six months after the start date of connectivity as mentioned in the final grant of Connectivity or COD of ATS whichever is later, for generating station(s) being set up without LOA or PPA.”