



**CAPTIVE POWER PRODUCERS ASSOCIATION**

(Registered U/sec. 25 of Company Act 1956 & Certificate of IT 12AA  
CIN: U91990MH2003GAP141611)

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Vikas Patangia  
**PRESIDENT**

Date: 13<sup>th</sup> September 2024

To,  
Secretary  
Central Electricity Regulatory Commission  
3rd & 4th Floor, Chanderlok Building,  
36, Janpath, New Delhi-110001  
Email: [secy@cercind.gov.in](mailto:secy@cercind.gov.in); [shilpa@cercind.gov.in](mailto:shilpa@cercind.gov.in).

**Subject: Suggestions /Comments on proposed CERC (Connectivity and General Network Access to the inter-State Transmission System) (Third Amendment) Regulations, 2024.**

Dear Sir,

In response to your public notice dated 31<sup>st</sup> July 2024 inviting suggestions and comments from the stakeholders on 'Suggestions /Comments on proposed CERC (Connectivity and General Network Access to the inter-State Transmission System) (Third Amendment) Regulations, 2024', we would like to submit our comments as per the enclosed Annexure-I for your kind consideration.

**Thanking you.**

**For CAPTIVE POWER PRODUCERS' ASSOCIATION**

**Nitin S. Ghorpade**  
**Director (CPPA)**

**Annexure-I:- Suggestions / Comments on proposed CERC (Connectivity and General Network Access to the inter-State Transmission System) (Third Amendment) Regulations, 2024.**

Sr. No.	Regulation	Proposed Amendment	Suggestion / Comment	Rationale
1.	<b>3.7.3 (b) and 3.7.4 (b)</b>	<p>3.7.3 (b) 5% of the BG submitted in terms of Clause (vii)(c) or Clause (xi)(c) of Regulation 5.8 of these regulations, as the case may be, shall be forfeited and balance 95% of BG shall be returned to the Applicant within 15 days of withdrawal of the application.</p> <p>3.7.4 (b) 25% of the BG submitted in terms of Clause (vii)(c) or Clause (xi)(c) of Regulation 5.8 of these regulations, as the case may be, shall be forfeited and balance 75% of BG shall be returned to the Applicant within 15days of withdrawal of the application.</p>	<p>We request the honourable Commission to add the following proviso after clause (b) of Regulation 3.7.3 3.7.4:</p> <p>Provide that if the Applicant submit the required Land documents as specified under (vi) (b) and (xi) (b) of Regulation 5.8 at the time of withdrawal of such application, then the BG submitted in terms of Clause (vii)(c) or Clause (xi)(c) of Regulation 5.8 of these regulations shall be returned to the Applicant within 15 days of withdrawal of the application.</p>	<p>If the Applicant has obtained the land documents and withdrawing the application, such Applicant shall not be punished by encashing part of BGs submitted under Regulation 5.8 (vi) (c) or 5.8 (xi) (c) as he is able to demonstration fulfilling the required conditions for the release of the BGs as specified under Regulation 11A (4)</p>
2.	<b>12.5</b>	<p>The words “either by the entity itself or” shall be added after the words “shall be constructed and maintained” in Regulation 12.5 of the Principal Regulations.</p> <p>In case of an entity covered under Regulation 17.1(iii), the line to connect such an entity to the ISTS and necessary augmentation for providing connection to the ISTS, shall be constructed and maintained <b>either by the entity itself or</b> by a licensee at the cost of such entity</p>	<p>We suggest the words “<b>either by the entity itself or by its subsidiary company or its parent company</b> or” to be added after the words “shall be constructed and maintained” in Regulation 12.5 of the Principal Regulations.</p>	<p>Proviso of Regulation 15.1 states that: <i>Provided further that where a bulk consumer has been granted GNA under Regulation 17.1(iii), GNA granted to such Bulk consumer may be utilized in part or full by its subsidiaries or vice versa, if such bulk consumer and its subsidiaries are connected at the same connection point of ISTS.</i></p> <p>Since the GNA granted to parent company can be utilised by subsidiary company and vice-versa, similar flexibility should be allowed for construction and maintenance of the line to connect to ISTS substation.</p>

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3.	17.1	Proposed New Addition in the Regulation 17.1	<p><i>We propose following new addition</i></p> <p><i>17.1 (iii) (a) Subsidiary / Parent / Affiliate Company of a GNA grantee seeking GNA under Regulation 17.3 (iii) and direct Connectivity to ISTS through the electrical system of a GNA Grantee shall be eligible to get GNA without limit of 50 MW as specified under Regulation 17.1 (iii).</i></p> <p><i>17.1(iii b) Limit of 50 MW for a Bulk consumer seeking GNA under 17.1 (iii) shall be applicable on aggregate basis subject to all the applying entities are related parties such as subsidiary/affiliate/parent and applying for GNA and direct ISTS connectivity together at same ISTS substation</i></p>	<p>As per Regulation 17.1 (iii) a Bulk consumer or distribution licensee is eligible to connect to ISTS directly provided the minimum load of such entity is 50 MW.</p> <p>We understand that such provision of minimum load is kept for efficient utilization of ISTS assets which provides connectivity at voltage level of 220 kV and above. We agree with the rationale for such minimum load requirement.</p> <p>However, many of large industries, set up various units within same complex and sometimes such units are set up by a subsidiary / affiliate company. Even under PLI and such other schemes of Government of India, it is mandatory to set up the units under new SPV to get benefits under such schemes.</p> <p>Many a times, such subsidiary/affiliate unit may not meet the 50 MW minimum load requirement and hence will not be able to meet eligibility requirement and get connected ISTS.</p> <p>In any case the entities together will meet minimum load of 50 MW. Such provision is</p>

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				allowed for generating companies hence the same may be allowed for bulk consumer also.
4.	<b>Regulation 23.1</b>	<i>An entity covered under clauses (i) to (v) of Regulation 17.1 which is a GNA grantee, may authorise other entities covered under clauses (i) to (v) of Regulation 17.1 which are GNA grantee(s), to use its GNA, in full or in part, with prior approval of the Nodal Agency, for a period not exceeding 3 (three) years at a time on mutually agreed terms and conditions:</i>	We request the honourable Commission that the GNA grantees should be allowed to authorise other entities to use its GNA irrespective of such entities are GNA grantees or not, with prior approval of the Nodal Agency.	<p>Once a GNA has been granted to an entity, such grantee is liable to pay monthly transmission charges as applicable under CERC Sharing regulations.</p> <p>This regulation allows GNA grantee to authorise other entities to use its GNA by having an internal agreement for use of GNA, in such cases it is not rational to restrict the GNA transfer to a particular set of entities only.</p> <p>We request the honourable Commission that the GNA should be also allowed to transfer without restriction all the entities, including STU connected or Discom connected entities not having any prior GNA.</p>
5.	<b>25.1 (b)</b>	<p>Second proviso</p> <p><i>“Provided further that for the entity covered under clause (iii) of Regulation 17.1 of these regulations, the notice period shall be six months, and if GNA is relinquished at least six months prior to the date of effectiveness of GNA, only Conn-BG1 and Conn-BG3 shall be</i></p>	<p>We request the honourable Commission to replace the said proviso as below :</p> <p><i>“Provided further that for the entity covered under clause (iii) of Regulation 17.1 of these regulations, the notice period shall be <b>one</b> <del>six</del> months, and if GNA is relinquished at</i></p>	<p>If part or full GNA is relinquished providing sufficient notice period of one month, the Bulk consumer should not be liable to pay any GNA charges.</p> <p>Also to avoid any misinterpretation of the requirement, it is proposed to add para as below as suggested : <i>and such entity shall</i></p>

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		<i>encashed corresponding to the relinquished quantum as relinquishment charges.”</i>	<i>least <b>one</b> <del>six</del> months prior to the date of effectiveness of GNA, only Conn-BG1 and Conn-BG3 shall be encashed corresponding to the relinquished quantum as relinquishment charges <b>and such entity shall not be required to pay and such entity shall not be required to pay any other relinquishment charges</b></i>	<i>not be required to pay any other relinquishment charges.</i>
6.	<b>Regulation 26.2</b>	<p><i>A GNA grantee shall be eligible to apply for T-GNA over and above the GNA granted to it, as per eligibility under clause (a) of Regulation 26.1 this Regulation.</i></p> <p><i>Provided that the entity covered under clause (ii) of Regulation 26.1(a) may seek T-GNA maximum up to 30% of the GNA granted.”</i></p>	We request the honourable Commission to delete this proposed amendment.	<p>The proposed amendment is only applicable to the entities covered under clause (ii) of Regulation 26.1(a) i.e. bulk consumers.</p> <p>The bulk consumer may have the varying power requirements which may depend on the time of the day/ month/ season.</p> <p>The bulk consumer may also have inhouse generation and partly meeting load using GNA. There are large captive consumers who are member of our association and have plan to set up co-located RE plants.</p> <p>In case in house generation (including RE) is not available due to planned / forced</p>

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				<p>outages or due to intermittency of RE generation, such bulk consumer can utilize CTU connectivity to procure power for short during using T-GNA. It Is not feasible commercially nor desirable from perspective of utilisation scarce resource (transmission system) to take GNA for such short term and exigency requirements.</p> <p>The purpose of T-GNA is to meet short term / exigency requirements and addition of such clause will defeat the purpose of T-GNA.</p> <p>T-GNA is granted based on available system margins only and hence no consumer would risk their main requirement using T-GNA, but it will be used only for short term and exigency requirements.</p> <p>Use of T-GNA also ensure optimum utilization of national resources i.e. the transmission system and hence improves system efficiency and reduces overall cost of transmission system users.</p> <p>Hence, we request the Honourable Commission to delete this proposed amendment.</p>