



A Maharatna Company

एन टी पी सी लिमिटेड

(भारत सरकार का उद्यम)

NTPC Limited

(A Govt. of India Enterprise)

केन्द्रीय कार्यालय / Corporate Centre

Date: 15.09.2024

The Secretary
Central Electricity Regulatory Commission,
7th floor, Tower-B, World Trade Centre
Nauroji Nagar, New Delhi-110029

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

Sir,

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

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

Thanking you,

Yours sincerely

Ajay Dua
ED (Commercial)

NTPC Submissions on Draft CERC (Connectivity and General Network Access to the inter-State Transmission System) (Third Amendment) Regulations, 2024.

1. The draft amendment proposes to add the following proviso to Regulation 5.1 of the Principal Regulations:

“Provided also that an REGS making an application based on LOA or PPA under Regulation 5.8(xi) may apply for a grant of Connectivity for a quantum equal to the quantum of LOA or PPA, which may be less than the installed capacity.”

Submission:

It is submitted that at the time of application, the margin available in the proposed substation is approximate and actual connectivity quantum available for grant on that particular substation gets clear only during the CMETS meetings.

Therefore, a facilitation may be provided wherein an Applicant may be offered available connectivity margin in particular substation and balance connectivity requirement may be accommodated in next substation of same cluster under the same application and with same priority.

The priority in case relocation to original substation may also be ensured as per application priority.

In view of above the proviso may be modified as below:

“Provided also that an REGS making an application based on LOA or PPA under Regulation 5.8(xi) may apply for a grant of Connectivity for a quantum equal to the quantum of LOA or PPA, which may be less than the installed capacity.

Provided that in case connectivity quantum sought under application is more than the margin available in particular ISTS substation, the available connectivity quantum shall be proposed in particular substation first and remaining connectivity shall be proposed for grant next ISTS substation being planned in the same ‘cluster of ISTS Substations’ under same application.”

2. The draft amendment proposes to add Regulation 8.3, 8.4 and 8.5 which provides the following:

“8.3. For cases covered under Regulation 7.2 of these regulations, where augmentation with ATS is required, the entity that has been intimated in principle grant of Connectivity shall submit Conn-BG1 for Rs 50 lakhs and Conn-BG2 equal to the estimated cost of ATS and terminal bay(s), 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.

8.4 *For applicants, where Connectivity is granted with augmentation (with ATS or without ATS), the Nodal Agency, within 6 (six) months of furnishing of Conn-BG1, Conn-BG2, and Conn-BG3, as applicable, as per Regulation 8.2 or Regulation 8.3 of these regulations, shall intimate to such entity the timeline for completion of augmentation, ATS, terminal bay(s), and firm date of start of Connectivity based on scheduled date of commercial operation of such elements:*

Provided that if such ATS and terminal bay(s) are planned for more than one entity, Conn-BG2 shall be furnished in proportion to the quantum of Connectivity applied for by such entities.

8.5. *In the event that the Nodal Agency does not intimate the details as per Regulation 8.4 of these regulations within 6 (six) months, the Nodal Agency shall furnish the reasons for such non-intimation to the entity with a copy to the Central Commission within one month of expiry of such period of six months with a probable date by which such timeline shall be furnished.”*

Submission:

- i. It may please be noted that, as per the existing regulations 8.3, the applicant is required to submit Conn-BG2 only when:

The Nodal Agency, within 6 (six) months of furnishing of Conn-BG1, shall intimate to entities covered under Regulation 7.2,

- i. amount of Conn-BG2 to be furnished towards ATS and terminal bay(s), which shall not exceed the estimated cost intimated at the time of in-principle grant of Connectivity,
- ii. the timeline for completion of ATS and terminal bay(s), and
- iii. firm date of start of Connectivity:

Now as per the proposed amendment in Regulation 8.3, an applicant is required to furnish Conn-BG2 on estimated cost of ATS within one month of intimation of in principle grant of connectivity but without any intimation of firm date of start of connectivity, and the details of the connecting substation.

- ii. Further, in the proposed amendment regulation 8.5, in case Nodal Agency does not intimate the details as per Regulation 8.4 of these regulations within 6 (six), the option given to the applicants in the existing regulation 8.3 for

withdrawing application without any encashment of BGs is also proposed to be deleted.

- iii. It is worthwhile to mention that, without knowing of Exact cost & timeline of augmentation (with ATS or without ATS), It is difficult for applicant to accept the grant of connectivity.

Therefore, in case of delay in intimation in the information as mentioned above within 6 months the applicant may be allowed to withdraw application without encashment of BGs.

It is submitted that the proposed Regulation 8.5 may be modified in line with the existing provisions of 8.3 (c) of the principal regulations as below:

“8.5.

In the event, the Nodal Agency does not intimate the details as per Regulation 8.4 of this Regulation within 6 (six) months the Nodal Agency shall furnish the reasons for such non-intimation to the entity with a copy to the Central Commission within one month of expiry of such period of six months.

Provided that in the event of non-intimation of above details by Nodal Agency within six months, the entity shall have the option of withdrawing the application for Connectivity and in such a case, the Conn-BG1 and Conn-BG2 shall be returned within one month of exercising option of withdrawal by the entity and application shall be closed.

3. **The draft amendment proposes to substitute Sub-clause 5.8(xi)(a)(ii) of the Principal Regulations as follows:**

“In case of Applicant being multi-located REGS, where LOA or PPA provides location and installed capacity at each location, the applicant shall be eligible to seek the Connectivity up to the Installed capacity at each location provided in the LOA or PPA. In case the installed capacity is higher than the LOA or PPA quantum, the connectivity under clause (a) of this Regulation at each location shall be limited to the LOA or PPA quantum. For balance capacity, if any, the applicant shall be eligible to seek additional Connectivity based on sub-clauses (b) or (c) of this Clause.”

Submission:

As per recent bidding of RTC and FDRE tenders, individual installed solar and wind capacities at each location/ ISTS substation are likely to be more than the contracted capacity in LoA. The installed capacity more than contracted RTC/FDRE capacity at

one geographical location are often technically and commercially required to meet particular demand/load profile of FDRE/RTC.

Since the individual wind/Solar capacities are mentioned in LoA/PPA by REIA at various substations, it is requested to allow connectivity application based on mentioned installed capacity in LoA/PPA by REIA which can be more than RTC/FDRE contracted capacity and Sub-clause 5.8(xi)(a)(ii) may be modified as follows:

“In case of Applicant being multi-located REGS, where LOA or PPA provides location and installed capacity at each location, the applicant shall be eligible to seek the Connectivity up to the Installed capacity at each location provided in the LOA or PPA.”

4. The draft amendment proposes to substitute Regulation 10.5 of the Principal Regulations as below:

“10.5 Where Connectivity is granted at a proposed ISTS sub-station, the Nodal Agency shall confirm the final coordinates within 2 months of award of contract for construction of such ISTS substation.”

Submission:

The existing regulations provide that *“Where Connectivity is granted at a proposed ISTS sub-station, the Nodal Agency, shall confirm the final coordinates within 2 months of signing of the Connectivity Agreement and such coordinates shall not be outside the radius of 5 km of the tentative coordinates already intimated.”*

The proposed Draft regulation shall lead to the following difficulties for an applicant:

- i. As the award of contracts for construction of the proposed ISTS substations may take significant time, as per the proposed regulations the final coordinates of ISTS substation shall be known to applicants at much later stage i.e. 9 months or more for TBCB schemes.

Further, Since the Dedicated Transmission line (DTL) is in the scope of Applicant, the tentative location of substation with coordinates, is essentially required for finalization of scope, cost of DTL and further award of contract by the Applicant.

Such delayed intimation of final coordinates of proposed ISTS sub-station will result in delay in DTL commissioning, delay in drawal of start-up power and may lead to delay in CoD of the generating station.

- ii. As per the proposed draft amendment, Nodal agency may decide the final coordinates beyond any distance from of the tentative coordinates already intimated at the time of in principle grant of the connectivity. Such uncertainty may lead to the unviability of construction of DTL.
- iii. Further, ISTS substation layout showing bay gantry co-ordinates is also essentially required for dedicated transmission line route and its termination at ISTS.

It may be appreciated that timely and full information is essentially required for commissioning of DTL as per schedule and in view of above, it is humbly submitted to modify the proposed regulation 10.5 in line with principal regulations as below:

“10.5. Where Connectivity is granted at a proposed ISTS sub-station, the Nodal Agency, shall confirm the final coordinates, ISTS substation layout showing bay gantry co-ordinates and Substation SLD within 2 months of signing of the Connectivity Agreement and such coordinates shall not be outside the radius of 5 km of the tentative coordinates already intimated.”

Otherwise, the entity shall have the option of withdrawing the application for Connectivity and in such a case, the Conn-BGs shall be returned within one month of exercising option of withdrawal by the entity and application shall be closed.

5. The draft amendment provides that the Regulation 17.3 of the Principal Regulations shall be substituted as under:

“17.3 The Applicant covered under Regulation 17.1 (iii) of these regulations may apply for a grant of GNA, by seeking interconnection at

(i) a terminal bay of an ISTS sub-station already allocated to another such entity covered under Clause (iii) of Regulation 17.1, or

(ii) a terminal bay of an ISTS sub-station already allocated to another entity covered under Regulation 4.1 of these regulations, or

(iii) switchyard of a generating station having Connectivity to ISTS, with an agreement duly signed between the Applicant and the said entity for sharing the terminal bay or the switchyard and the dedicated transmission lines, if any:

Submission:

Hon'ble commission has provided facilitation to the bulk consumers, wherein bulk consumers can apply for GNA by seeking interconnection at a terminal bay of an ISTS sub-station already allocated to another bulk consumer or a generator or switchyard of a generating station as per the above provisions.

In order to save the duplicity of transmission system and cost to the bulk consumer, a bulk consumer may be allowed to apply for a grant of GNA by seeking interconnection at the switchyard of another Bulk consumer having Connectivity to ISTS. Therefore, the following facilitation may be provided for a bulk consumer as follows:

“A bulk consumer may apply for GNA by seeking interconnection to the switchyard of other bulk consumer having Connectivity to ISTS, with an agreement duly signed between the applicant and the other bulk consumer for sharing the terminal bay or the switchyard and the dedicated transmission lines, if any.”

6. The draft amendment proposes to add Clause (d) after Clause (c) of Regulation 26.1 of the Principal Regulations as under:

“(d) An injecting entity connected to intra-State transmission system or distribution system and seeking T-GNA for the purpose of injection into ISTS.”

Submission:

It may please be noted that entities which seek dual connectivity [with ISTS and STU network] are allowed to apply for ISTS connectivity only for balance quantum after making application to the STU for Intra state connectivity.

Further Generator are allowed to inject infirm power into ISTS as per regulation 10.8. However, it is understood that the quantum of infirm injection allowed under this regulation shall not exceed the quantum of connectivity granted.

Therefore, in case of Non availability of STU transmission system in such cases, generator may be allowed to inject the STU connectivity quantum [also] into ISTS on T-GNA basis.

For better understanding, the following examples is given:

- a. In case of TTPS-III which is having a dual connectivity (660 MW with ISTS & 660 MW with STU) and in case STU line is not commissioned in time, the infirm injection of 660MW corresponding to STU may be allowed under T-GNA after having above provisions.

In view of the above, Clause (d) may be modified as below:

“An injecting entity connected to intra-State transmission system or both intra state & ISTS system or distribution system and seeking T-GNA for the purpose of injection into ISTS.”

7. The draft amendment proposes to add Regulation 3.7.1, which provides that:

“3.7.1: If any application for grant of Connectivity or grant of GNA is withdrawn before the in-principle grant of Connectivity in terms of Regulation 7 of these regulations or grant of GNA in terms of Regulation 22 of these regulations, , the Nodal Agency shall deal with such cases in the following manner:

(a) 50% of the application fee shall be forfeited.

(b) Balance 50% of the application fee, 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 refunded by the Nodal Agency to the Applicant within 15 days of withdrawal of the application.”

Submission:

It may please be noted that in principle grant of connectivity is having a significance only if the related Conn-BG1, Conn-BG2 and Conn-BG3 are submitted within specified time to CTUIL. Therefore, submission of Conn-BGs may be considered as a more meaningful milestone than in principle grant of connectivity in the process of securing connectivity by Applicant.

In view of above, it is requested that application fee may be deducted if application is withdrawn not after the grant of in principle connectivity but after the time period of one month provided for submission of Con BGs.

Therefore, regulation 3.7.1 may be modified as below:

“3.7.1 If any application for grant of Connectivity or grant of GNA is withdrawn before Scheduled submission date of Conn BGs subsequent to in-principle grant of Connectivity in terms of Regulation 7 of these regulations or grant of GNA in terms of Regulation 22 of these regulations, the Nodal Agency shall deal with such cases in the following manner:

(a) 50% of the application fee shall be forfeited.

(b) Balance 50% of the application fee, 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 refunded by the Nodal Agency to the Applicant within 15 days of withdrawal of the application”.

8 The draft amendment proposes to add Regulation 3.7.3, which provides the following:

“3.7.3 If any application is withdrawn after the in-principle grant of Connectivity and before the final grant of Connectivity, the Nodal Agency shall deal with such cases in the following manner:

(a) 100% of the application fee shall be forfeited;

(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.

(c) If Conn BG1, Conn-BG2, Conn-BG3, as applicable, have been furnished, Conn BG-1, Conn-BG2 shall be encashed and Conn-BG3 shall be returned by the Nodal Agency:

Provided that where ATS or terminal bays have not been awarded for implementation as on the date of withdrawal, Conn-BG2 shall be returned to the Applicant within 15 days of such withdrawal of the application.

.....”

Submission:

It may please be noted that the existing GNA regulations envisages 45 days period from in principle grant of connectivity to the final grant of connectivity. During this time span there may be circumstances wherein an applicant may need to withdraw its application before the final grant of the connectivity.

Moreover, as per proposed amendment, if an applicant has not submitted BGs and withdraws before final grant of connectivity, no BGs shall be encashed on the other hand if an applicant withdraws after submission of BGs and before final grant of connectivity, it's BGs are being encashed as applicable.

This differential treatment on the basis of BG submission date of the applicants may be reviewed and if the applicant withdraws its application before final grant of connectivity its application money may be forfeited, and Conn BGs may be returned.

Therefore Regulation 3.7.3 may be modified as below:

“If any application is withdrawn after submission of Conn BGs subsequent to in-principle grant of Connectivity and before the final grant of Connectivity, the Nodal Agency shall deal with such cases in the following manner:

(a) 100% of the application fee shall be forfeited;

(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.

(c) Conn BG-1 and Conn-BG3 shall be returned by the Nodal Agency and Conn-BG2 shall be encashed:

Provided that where ATS or terminal bays have not been awarded for implementation as on the date of withdrawal, Conn-BG2 shall be returned to the Applicant within 15 days of such withdrawal of the application.

(d) Application shall be closed within a period of 15 days from the date of withdrawal under intimation to the Applicant”

9. Additional Submissions:

I. Regulation 24.6(a) of principal Regulation provides as follows:

“24.6 (a) Revocation of Connectivity

(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,

(i) the scheduled date of commercial operation of the generation project, for cases covered under clause (xi)(a) of the Regulation 5.8, as intimated at the time of making application for grant of Connectivity or as extended or delayed commissioning permitted by the Renewable Energy Implementing Agency or the distribution licensee or the authorized agency on behalf of distribution licensee, as the case may be.

(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 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, Regulation 24.6 (1)(a)(ii) may be modified as below:

“ six months after the start date of connectivity as granted in final grant of Connectivity or COD of ATS whichever is later, for cases covered under clause (xi)(b) or (xi)(c) of the Regulation 5.8.”

II. Regulation 24.6(d) of principal Regulation provides as follows:

“24.6 (d) Revocation of Connectivity

*(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,*

(i) scheduled date of commercial operation of the generation project as per LOA or PPA as extended or delayed commissioning permitted by the Renewable Energy Implementing Agency or the distribution licensee or the authorized agency on behalf of distribution licensee, as the case may be.

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

Submission:

The aforementioned regulation 24.6(d)(ii) deals with the revocation of connectivity for a Renewable Power Park developer if an applicant without PPA/LoA fails to achieve COD on or before six months after the scheduled date of commercial operation

It may please be noted that the the applicant without PPA/LoA 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, it is reasonable to consider revocation of connectivity only after six (6) months of 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, Regulation 24.6 (1)(d)(ii) may be modified as below:

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

III. Regulation 22.4 of the principal regulations provides that:

“22.4. Effective Date of GNA

(a) 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 Regulation 22.4(a) may be modified as below:

“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 project including extension by REIA/Appropriate Commission/Authorized entity of procurer or COD of ATS, whichever is later.....”

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