FOURTH PARTNER ENERGY PRIVATE LIMITED

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CIN No. U40 I 08TG201OPTC070806

Date: 09-11-2024

To

The secretary,

CERC,

Tower B, world trade centre,

Nauroji Nagar, New Delhi.

Respected Sir,

Sub: Comments on draft CERC (Sharing of Inter-State Transmission Charges and Losses) (Fourth Amendment),Regulations, 2024

With reference to your public notice inviting for comments on draft CERC (Sharing of Inter-State Transmission Charges and Losses) (Fourth Amendment), Regulations, 2024, we hereby submit our comments in the attachment for your kind perusal and consideration.

For Fourth Partner Energy Pvt Ltd.

Rakesh Gopinath

Open Access team

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Regulation 13.2.(b):

" Battery ESS which has declared commercial operation on or before 30.6.2025 shall be eligible for a waiver of transmission charges for a period of 12 years from the date of COD of such ESS subject to conditions as per sub-clause (c) of this Clause."

Comment:

We respectfully request that the Hon'ble CERC extend the inter-state transmission charge waiver for Battery Energy Storage Systems (BESS) from 12 years to 25 years, aligning it with the typical 25-year operative period of Renewable Energy Generating Stations (REGS).

Rationale:

Linking the waiver period with the operational lifespan of REGS and BESS assets would improve project viability, enhance investor confidence, and support long-term renewable integration. This alignment would further incentivize energy storage deployment, strengthening grid stability and contributing to India's clean energy goals.

Regulation 13.2.(h):

Any REGS based on wind or solar source which is eligible for a waiver of inter-state transmission charges under Regulation 13(2) of these regulations and is having its scheduled date of commissioning on or before 30th June 2025 is granted extension of time to achieve COD by the competent authority in terms of the Power Purchase Agreements (where PPA has been entered into with, a Renewable Energy Implementing Agency or a distribution licensee or an authorized agency on behalf of distribution licensee, consequent to tariff based competitive bidding) or the Commission (for cases other than specified PPA, on an appropriate application made by the entity), on account of any Force Majeure event including non-availability of transmission or for reasons not attributable to the REGS, and the project achieves COD before the extended date, it shall be eligible for a waiver of inter-state transmission charges as if the said REGS had achieved COD on 30.6.2025:

Provided that, for the purpose of this Clause, such extension shall not exceed a period of six months at a time and not more than two times."

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comment:

We respectfully request the Hon'ble Central Electricity Regulatory Commission (CERC) to appoint the Central Transmission Utility (CTU), Regional Load Despatch Centre (RLDC), or any other competent agency to certify and grant COD or waiver extensions for projects that are unable to achieve COD by 30.06.2025 due to reasons beyond the control of the Renewable Energy Generating Station (REGS). These reasons may include delays in the commissioning of common transmission infrastructure or delays in bay construction under various ISTS schemes by transmission licensees.

Furthermore, we submit that the extension period should be aligned with the nature, duration, and recurrence of force majeure events, such as delays in the commissioning of common transmission infrastructure by CTUIL/PGCIL. Therefore, we respectfully request that the extension not be restricted to six-month intervals or limited to a maximum of two extensions.

Rationale:

For Renewable Energy (RE) developers executing projects under the Commercial and Industrial (C&I) route, the process of obtaining a COD or waiver extension via petition to the Hon'ble CERC can be both time-consuming and costly. Unlike projects developed through the PPA route, where Power Purchase Agreements offer structured pathways for seeking extensions directly through the Renewable Energy Implementing Agency or distribution licensee, C&I projects lack such streamlined mechanisms. Consequently, C&I developers must navigate the regulatory process independently, often facing significant procedural and financial burdens.

The need for petitioning the Commission each time an extension is required places an additional strain on RE developers in the C&I segment. Since delays in achieving COD often stem from circumstances beyond the control of the RE developers—such as the delay in commissioning of common transmission infrastructure or issues with bay construction under ISTS schemes—requiring multiple petitions for COD extensions results in inefficiencies and cost escalations. In such cases, a more practical and cost-effective solution would be for a designated agency, such as the CTU or RLDC, to handle the certification and approval of extensions. This approach would reduce delays and regulatory costs, providing timely relief to developers while preserving Commission resources.

Moreover, we submit that the current limitation of a six-month extension, with a maximum of two extensions, is insufficient for force majeure events related to transmission infrastructure. Delays in critical transmission infrastructure such as common transmission networks or bay constructions are often complex and may require more than two extension periods to be fully resolved. Therefore, linking the extension period to the duration and recurrence of these force majeure events, rather than setting arbitrary time caps, would better support RE developers in achieving COD and contribute to meeting national renewable energy targets.