Mahindra Towers, P. K. Kurne Chowk, Worli, Mumbai - 400 018 CIN: U74990MH2010PTC207854

Tel No. +91 22 24901441, Fax No. +91 22 24975081

Email: joshi.mandar@mahindra.com Website: www.mahindrasusten.com

Ref No: MSPL/CERC/Sharing Regulations - 4th Amendment/Comments /2024-25/200

Date: 11th October, 2024

To,

The Secretary,

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

Subject: Comments on Draft Central Electricity Regulatory Commission (Sharing of Inter-State Transmission Charges and Losses) (Fourth Amendment) Regulations, 2024

Dear Sir,

We are pleased to note that CERC has proactively issued Draft Central Electricity Regulatory Commission (Sharing of Inter-State Transmission Charges and Losses) (Fourth Amendment) Regulations, 2024. In this regard, we would like to participate in the consultation process with CERC and we are herewith submitting our comments on the same (enclosed herewith). We are hopeful that CERC would find merit in our submissions and incorporate the same Regulations.

Thanking you,

Yours faithfully,

Ankur Pathak,

Head - Regulatory Affairs

Encls: As above

Mahindra Towers, P. K. Kurne Chowk, Worli, Mumbai - 400 018 CIN: U74990MH2010PTC207854

Tel No. +91 22 24901441, Fax No. +91 22 24975081

Email: joshi.mandar@mahindra.com Website: www.mahindrasusten.com

Comments on Central Electricity Regulatory Commission (Sharing of Inter-State Transmission Charges and Losses)

(Fourth Amendment) Regulations, 2024

Sn	Regulation	Draft Regulation	Recommended Clause	Rationale
1	7 (h)	Any REGS based on wind or	Any REGS or RHGS based on	As per the current proposed
		solar source which is eligible	wind or solar source or ESS	amendments, clarification for waiver
		for a waiver of inter-state	which is eligible for a waiver of	for
		transmission charges under	inter-state transmission	the projects having COD on or before
		Regulation 13(2) of these	charges under Regulation	30.06.2025 and getting extensions due
		regulations and is having its	13(2) of these regulations and	force majeure and related reasons
		scheduled date of	is having its scheduled date of	· · · · · · · · · · · · · · · · · · ·
		commissioning on or before	commissioning on or before	
		30th June 2025 is granted	30th June 2025 is granted	
		extension of time to achieve		' '
		COD by the competent	•	· 1
		authority in terms of the Power	authority in terms of the Power	
		Purchase Agreements (where	Purchase Agreements (where	, , , , , , , , , , , , , , , , , , , ,
		PPA has been entered into	PPA has been entered into	,
		with, a Renewable Energy	with, a Renewable Energy	
		Implementing Agency or a	Implementing Agency or a	
		distribution licensee or an	distribution licensee or an	i .
		authorized agency on behalf of	9	
		distribution licensee,	distribution licensee,	
		consequent to tariff based	consequent to tariff based	Jun'26, Jun'27 & Jun'28.
		competitive bidding) or the	competitive bidding) or the	
		Commission (for cases other	· ·	•
		than specified PPA, on an	than specified PPA, on an	
			appropriate application made	l ————————————————————————————————————
		by the entity), on account of		, , , , , , , , , , , , , , , , , , ,
		any ⊦orce Majeure event	any Force Majeure event	

Mahindra Towers, P. K. Kurne Chowk, Worli, Mumbai - 400 018 CIN: U74990MH2010PTC207854

Tel No. +91 22 24901441, Fax No. +91 22 24975081

Email: joshi.mandar@mahindra.com Website: www.mahindrasusten.com

transmission or for reasons not transmission or for reasons attributable to the REGS, and not attributable to the REGS, the project achieves COD and the project achieves COD before the extended date, it on or before the extended shall be eligible for a waiver of date, it shall be eligible for a inter-state transmission | waiver charges as if the said REGS transmission charges as if the had achieved 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.

including non-availability of including non-availability of of inter-state COD on said REGS had achieved COD on 30.6.2025:

Additional Clause

Waiver for REGS or RHGS based on wind or solar source or ESS which is eligible for a waiver of inter-state transmission charges under Regulation 13(2) of these regulations and is having its scheduled date commissioning on or before 30th June 2026 or 30th June 2027 or 30th June 2028 respectively 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

Mahindra Towers, P. K. Kurne Chowk, Worli, Mumbai - 400 018 CIN: U74990MH2010PTC207854

Tel No. +91 22 24901441, Fax No. +91 22 24975081

Email: joshi.mandar@mahindra.com Website: www.mahindrasusten.com

,				
	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 or RHGS based on wind or solar source or ESS, and the project achieves COD on or before			
	the extended date, it shall be			
	eligible for a waiver of inter-			
	state transmission charges as			
	if the said REGS or RHGS			
	based on wind or solar source			
	or ESS had achieved COD on			
	30th June 2026 or 30th June			
	2027 or 30th June 2028			
	respectively:			

Mahindra Towers, P. K. Kurne Chowk, Worli, Mumbai - 400 018

CIN: U74990MH2010PTC207854

Tel No. +91 22 24901441, Fax No. +91 22 24975081

Email: joshi.mandar@mahindra.com Website: www.mahindrasusten.com

2	Additional	The methodology for applicability	tv of
	provision	NC-RE component applicable u	
	'	Regulation 4 is primarily linke	
	CHAPTER 2	drawee DICs which are responsible	
		bearing these charges. However,	
	COMPONENTS	to breach of waiver conditions	
	AND SHARING	REGS or RHGS based on wind or	
	OF ISTS	source or ESS (as per Regulation	n 13
	CHARGES	(2)), there is no clarity as to what	
	AND LOSSES	of charges will be applicable to	
		Generating station.	
		National Load Despatch Ce	entre
		(NLDC) has been entrusted with	n the
		responsibility of computation of	ISTS
		transmission charges and los	sses,
		however, it only calculates	the
		components of transmission cha	arges
		that are payable by drawee I	DICs
		especially States. It does not pro	ovide
		methodology to ascertain as to ho	
		calculate ISTS charges liability if	
		RE generator is in breach of war	
		conditions. It is being represe	
		because many States are approace	_
		REIAs with a specific condition the	
		case of breach of waiver condit	
		the generators will have to bear	
		ISTS charges but it is unclear till	
		as to what would be the applic	
		charges for a generator in cases	of a

Mahindra Towers, P. K. Kurne Chowk, Worli, Mumbai - 400 018

CIN: U74990MH2010PTC207854

Tel No. +91 22 24901441, Fax No. +91 22 24975081

Email: joshi.mandar@mahindra.com Website: www.mahindrasusten.com

breach. The NLDC data does not provide any guidance or methodology or any data in cases of breach of waiver conditions.
We request CERC to address this issue by way of these regulations and plug this gap so that there is certainty to calculate the ISTS charges payable in case of breaches.
We also request Hon'ble commission to direct NLDC to publish monthly ISTS Charges applicable to States solely due to RE offtake. This would provide a benchmark to ascertain charges which are levied to States due to RE installations and offtake. As of today, there is no guiding document to ascertain the transmission cost due to RE installations.