

Ref. No. CC/RC/Sharing Regulations

Date: 25/11/2024

The Secretary,
Central Electricity Regulatory Commission,
6th, 7th & 8th Floors, Tower B, World Trade Centre,
Nauroji Nagar, New Delhi- 110029

**Sub: Draft Central Electricity Regulatory Commission (Sharing of inter- State Transmission Charges and Losses) (Fourth Amendment) Regulations,2024.
- Submissions/Suggestions thereof**

Dear Sir,

This is in reference to Public notice no L-1/250/2019/CERC dated 09.10.2024 vide which Comments and suggestions were sought on the Draft Central Electricity Regulatory Commission (Sharing of inter- State Transmission Charges and Losses) (Fourth Amendment) Regulations,2024

In this regard, please find enclosed Submissions/Suggestions by POWERGRID on the subject Draft Amendment.

Thanking you,

Yours faithfully,



(V C Sekhar)

Sr. General Manager (Commercial & Regulatory Cell)

Encl: As above

POWERGRID comments on Draft Fourth Amendment to CERC Sharing Regulations,2020

Hon'ble Commission vide public notice ref: L-1/250/2019/CERC dated 09.10.2024 has issued the draft 4th amendment to CERC Sharing Regulations, 2020. Last date for submission of comments/suggestions on the same is 25th November 2024. Draft Regulation proposes revised/new regulations related to following;

- Waiver of ISTS Charges for offshore wind power projects, Green Hydrogen/ Green Ammonia Plants, Hydro PSPs, and Hydro Projects,
- Calculation of transmission deviation for generators having dual connectivity to both inter-State and intra-State transmission systems,
- Treatment of mismatch charges towards the terminal bay (s) &
- Calculation of availability for the ISTS, including the projects under tariff based competitive bidding.

POWER Sector is undergoing a transformative phase with focus on RE and has recently undergone transition to GNA Regime, new Grid Code i.e IEGC,2023. With time, certain cases or situations not covered in prevailing regulatory provisions or gaps not envisaged before have been encountered which are required to be addressed in the CERC Sharing Regulations through appropriate amendments. The proposed amendments are in this direction.

Regarding proposed amendment related to treatment of mismatch charges towards the terminal bay (s) and Calculation of availability for the ISTS, it is a welcome step by Hon'ble Commission as it will bring in more clarity to the regulations and will help in minimizing disputes in future. In the same line, POWERGRID would also like to propose some modification in the draft with an intent to cover all cases and to bring in more clarity. Detailed Comments of POWERGRID in this regard are as follows.

Clause	Existing provision as per Sharing Regulations,2020	Amendment proposed in the draft (<i>Shown in Red</i>)	Modifications proposed by POWERGRID in draft (Shown in Violet)
13 (3)	“(3) Where COD of a Connectivity grantee other than Renewable Power Park Developer is delayed on or before start date of Connectivity in terms of GNA Regulations, and the Associated Transmission System has achieved COD, which is not earlier than start date of Connectivity, the Connectivity grantee shall pay Yearly Transmission Charges for the Associated Transmission System corresponding to Connectivity capacity which has not achieved COD:	“(3) Where COD of a Connectivity grantee other than Renewable Power Park Developer is delayed on or before start date of Connectivity in terms of GNA Regulations, and the Associated Transmission System has achieved COD, which is not earlier than start date of Connectivity, the Connectivity grantee shall pay Yearly Transmission Charges for the Associated Transmission System corresponding to Connectivity capacity which has not achieved COD:	“(3) Where COD of a Connectivity grantee other than Renewable Power Park Developer is delayed on or before start date of Connectivity in terms of GNA Regulations, and the Associated Transmission System has achieved COD, which is not earlier than start date of Connectivity, the Connectivity grantee shall pay Yearly Transmission Charges for the Associated Transmission System corresponding to Connectivity capacity which has not achieved COD:

Clause	Existing provision as per Sharing Regulations,2020	Amendment proposed in the draft (Shown in Red)	Modifications proposed by POWERGRID in draft (Shown in Violet)
	<p>Provided that where a Connectivity grantee is Renewable Power Park Developer and the generation capacity within the Renewable Power Park has not declared COD on or before start date of Connectivity in terms of GNA Regulations, and the Associated Transmission System has achieved COD, which is not earlier than start date of Connectivity, the Renewable Power Park Developer shall pay Yearly Transmission Charges for the Associated Transmission System corresponding to generation capacity which has not achieved COD:</p> <p>Provided that Yearly Transmission Charges in respect of Associated Transmission System corresponding to the Connectivity capacity which have achieved COD shall be included for determination of transmission charges of DICs in accordance with Regulations 5 to 8 of these regulations.”</p>	<p>Provided that where a Connectivity grantee is Renewable Power Park Developer and the generation capacity within the Renewable Power Park has not declared COD on or before start date of Connectivity in terms of GNA Regulations, and the Associated Transmission System has achieved COD, which is not earlier than start date of Connectivity, the Renewable Power Park Developer shall pay Yearly Transmission Charges for the Associated Transmission System corresponding to generation capacity which has not achieved COD:</p> <p>“Provided further that for cases of augmentation without ATS and where the Terminal Bay(s) at the ISTS sub-station, in the scope of the transmission licensee have achieved COD, which is not earlier than the start date of Connectivity, and the COD of a Connectivity grantee or the Renewable Power Park Developer, as the case may be, has not been achieved, the Connectivity Grantee or the Renewable Power Park Developer, as the case may be, shall pay Yearly Transmission Charges for the Terminal Bay(s) corresponding to the Connectivity capacity which has not achieved COD:</p> <p>Provided also that Yearly Transmission Charges in respect of Associated Transmission System and terminal bay(s) corresponding to the Connectivity capacity which that have achieved COD shall be included for determination of transmission charges of DICs in accordance with Regulations 5 to 8 of these regulations.”</p>	<p>Provided that where a Connectivity grantee is Renewable Power Park Developer and the generation capacity within the Renewable Power Park has not declared COD on or before start date of Connectivity in terms of GNA Regulations, and the Associated Transmission System has achieved COD, which is not earlier than start date of Connectivity, the Renewable Power Park Developer shall pay Yearly Transmission Charges for the Associated Transmission System corresponding to generation capacity which has not achieved COD:</p> <p>“Provided further that for cases of augmentation with or without ATS and where the Terminal Bay(s) at the ISTS sub-station, in the scope of the transmission licensee have achieved COD, which is not earlier than the start date of Connectivity, and the COD of a Connectivity grantee or the Renewable Power Park Developer, as the case may be, has not been achieved, the Connectivity Grantee or the Renewable Power Park Developer, as the case may be, shall pay Yearly Transmission Charges for the Terminal Bay(s) corresponding to the Connectivity capacity which has not achieved COD:</p> <p>Provided also that Yearly Transmission Charges in respect of Associated Transmission System and terminal bay(s) corresponding to the Connectivity capacity which that have achieved COD shall be included for determination of transmission charges of DICs in accordance with Regulations 5 to 8 of these regulations.”</p>

Clause	Existing provision as per Sharing Regulations,2020	Amendment proposed in the draft (<i>Shown in Red</i>)	Modifications proposed by POWERGRID in draft (Shown in Violet)
Rationale for the changes proposed by POWERGRID:			
<p>1. As per the Explanatory memorandum and CTUIL letter dated 17.02.2023 (referred tin EM), it is understood that the proposed draft is introduced with an objective to provide for liability of terminal bay(s) constructed by a transmission licensee is ready (not before SCOD) but the Connectivity grantee(s) or the Renewable Power Park Developer is not ready. However, it is submitted that</p> <ul style="list-style-type: none"> • the proposed draft is only applicable for cases of 'augmentation without ATS' • whereas there can be other cases also including cases of 'augmentation with ATS', 'Connectivity granted on margins of existing system' etc. • In all such cases also, if terminal bay is constructed by a transmission license and is ready but the Connectivity grantee(s) or the Renewable Power Park Developer is not ready, liability is to be provided on defaulting entity. <p>Therefore, in view of the above, changes is proposed to draft regulations, to make it applicable for all such cases.</p>			
13 (13)	New Clause proposed	<p>“(13) Availability of the Transmission System <i>Notwithstanding any provisions to the contrary in the Transmission Service Agreement, the Availability of a transmission system or an element thereof shall be calculated as specified in the Tariff Regulations.</i></p>	<p>“(13) (14) Availability of the Transmission System <i>Notwithstanding any provisions to the contrary in the Transmission Service Agreement <u>under tariff based competitive bidding, the Availability Transmission System Availability Factor for a month of a transmission system or an element thereof shall be calculated as per the regulations specified in the relevant Tariff Regulations.</u></i></p>
Rationale for the changes proposed by POWERGRID:			
<p>For clarity following changes are proposed;</p> <ul style="list-style-type: none"> • Under the erstwhile CERC Sharing Regulations, 2010, a separate Transmission Service Agreement was provided and agreements already signed are still applicable. Therefore, to differentiate between the said Transmission Service Agreement with Transmission Service Agreement under TBCB, suitable changes are proposed. It is also to mention that “Transmission Service Agreement” is already referred to at multiple places in the Principal Regulations and everywhere the term “Transmission Service Agreement under tariff based competitive bidding” is used. Therefore, for uniformity also the change is proposed. • Further, the changes which are proposed are related to “Procedure for Calculation of Transmission System Availability Factor for a Month”. Therefore, for better clarity it is suggested that the term Availability may be replaced with the term “Transmission System Availability Factor” • Further, Regulation 13 (13) is already there in existing regulations. So, Proposed Regulation should be Regulation 13 (14) 			