

**Comments on the CERC  
(Sharing of Inter-State Transmission Charges and  
Losses) (4<sup>th</sup> Amendment)  
Regulations, 2024**

**Tata Power**

# Comment 1- ISTS charge Waiver for PSP

Regulation 13 (2)	Comments
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(a) REGS or RHGS based on wind or solar sources which have **declared commercial operation upto 30.6.2025** shall .....

(a-i) **Hydro PSP ESS, which has awarded the contract on or before 30.6.2025**, shall be eligible for a waiver of transmission charges .....

(c) .....when such **ESS is meeting atleast 51% of its annual electricity ...for pumping of water....** with electricity generated from REGS or RHGS based on wind or solar sources.

f(i) REGS or RHGS based on wind or solar source or Battery ESS which is declared COD after 30.6.2025 or **Hydro PSP ESS which has awarded the construction contract after 30.6.2025** shall be eligible for grant of waiver in the following manner:

Category	(i) Period of COD (for REGS or RHGS based on wind or solar source and Battery ESS / (ii) Period of award of construction work (for hydro PSP ESS)	Number of years from COD	% of drawl Schedule from identified generating station or ESS, to be considered under Annexure-III
REGS or RHGS based on wind or solar source or Hydro PSP ESS	1.7.2025 to 30.6.2026	25 years	75
	1.7.2026 to 30.6.2027	25 years	50
	1.7.2027 to 30.6.2028	25 years	25
	After 30.6.2028		0

- A hydro PSP will get 100% waiver of ISTS charges if it fulfills the following two conditions:
  - i. PSP must have awarded the construction work contract before 30th June 2025, and;
  - ii. PSP must meet 51% of its annual electricity requirement for pumping of water from REGS or RHGS based on wind or solar sources
- Power drawal from REGS or RHGS based on wind or solar sources which have declared COD upto 30.6.2025, eligible for 100% waiver of ISTS charges.
- The above intermixing of the waiver provisions renders the twin conditions of PSP particularly the date of award of construction work immaterial, as the entire benefit of ISTS waiver will eventually be based on the COD of the RE project from where the PSP sources input power.
- Similar case- ISTS charge waiver for GH2/GNH3 plants, drawing power from REGS or RHGS based on wind or solar sources, which has been addressed by considering higher of the possible waiver. (refer clause 13 (2), f(iv)).

**Suggestions:** Higher waiver applicable for RE and PSP respectively, as has been followed for GH2/GNH3.

## Comment 2- COD Extension...(1/2)

### Regulation 13 (2)

### Comments

*A new sub-clause (h) being inserted:*

*"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.**"*

- REGS based on wind and solar sources eligible for a waiver of ISTS charges-
  - (i) Eligibility for waiver would be based on the date of COD as indicated in the PPA;
  - (ii) Alternately, it can be based on COD mentioned in the connectivity application made by the developer to the CTU application\_ **this would be a certain and firm date, as applicants decided this based on a reasonable construction period for solar, wind, or REHS projects as per normal timelines which are adopted under standard bidding guidelines issued by MoP.**
- It may be noted that developers of projects, which are unable to commission before 30<sup>th</sup> June 2025- their SCOD, **due to delays in transmission system or other FM conditions, will not proceed to execute the project** if there is a visibility of potential delay, to avoid increasing IDC and project costs.
- Further, the proposed proviso is restrictive and puts limitation on COD extension. It is a known fact that some transmission systems have got delayed beyond one year (few delayed for 18-24 months). Hence **putting limitations on such extension timeline will be restrictive and would leave out several eligible projects from the ambit of ISTS waiver**
- Also, the extension of applicable waivers shall also be applicable to each year of the specified trajectory as per the conditions, viz. 2025-2026, 2026-2027, 2027-2028

***Accordingly suggestions provided in the next slide***

## Comment 2- COD Extension...(2/2)

Regulation 13 (2)	Comments (suggested clause)
<p><i>A new sub-clause (h) being inserted:</i></p> <p>"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 <b>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</b> (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:</p> <p><i>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."</i></p>	<p>2 (h) "Any REGS based on wind or solar source which <i>has indicated its scheduled date of commissioning on or before 30th June 2025 in its application for connectivity to the CTUIL and such an application for connectivity has been made with a reasonable time for commissioning of the project before 30th June 2025,</i> 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:</p> <p><i>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"</i></p> <p><i>Provided the extension of applicable waivers to REGS based on solar and wind source are accordingly applicable to each year of the specified trajectory as per the conditions detailed above.</i></p>

### Suggestions:

1. COD mentioned in the connectivity application made by the developer to the CTU may be considered as the date criteria for tracking the 100% ISTS waiver deadline.
2. Proposed proviso may be omitted as it is restrictive
3. Similar relief in terms of the applicable waivers should also be made available for each year in the trajectory for waivers

## Comment 3- Provision for Extension for Hydro PSP

Regulation 13 (2)	Comment
<p><i>A new sub-clause (h) being inserted:</i></p> <p>"2(h) <b>Any REGS based on wind or solar source</b> 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:</p>	<p>Please refer <b>MoP notification dated 23<sup>rd</sup> Nov 2021, point 3.2:</b></p> <p><i>"In order to have a long term visibility and <b>certainty to the renewable power generation</b>, it is also provided that ISTS charges shall be levied <b>for the solar, wind, Hydro PSP and BESS projects</b> commissioned after 30.06.2025, as per following trajectory .....</i></p> <p>- <u>Both Hydro PSP and BESS have been referred as part of renewable power generation, to which ISTS waiver is applicable</u></p> <p>Please refer <b>MoP notification dated 29<sup>th</sup> May 2023, point 3:</b></p> <p><i>"Further, if a <b>Renewable Energy Project which is eligible for ISTS waiver</b> in terms of extant orders <b>is granted extension in Date of Commercial Operation (COD)</b> by the competent authority, the project would not be deprived from applicable waiver of ISTS charges based on the original COD.</i></p> <p>- Here, renewable energy project is eligible for extension of ISTS waiver, in case of COD extension.</p> <p><b>Although, extension of ISTS waiver is being covered vide MoP notification dated 29<sup>th</sup> May 2023, for hydro PSP and BESS, as well, same is not reflecting clearly in regulations.</b></p>

**Suggestion:** In the case of Hydro PSP, provision may be made for extension of ISTS charge waiver, in case of grant of extension of deadline (award of construction work) by a competent authority.

## Comment 4- Offshore Wind and Green Hydrogen

### Regulation 13 (2)

### Comments

*f (iii) REGS based on Offshore Wind which is declared under commercial operation on or after 1.01.2033, shall be considered as follows:*

Period of COD	Number of years from COD	% of drawl Schedule from off shore wind generating station, to be considered under Annexure-III
01.01.2033 to 31.12.2033	25 years	75
01.01.2034 to 31.12.2034		50
01.01.2035 to 31.12.2035		25
After 31.12.2035		0

As per **MoP notification dated 29<sup>th</sup> May 2023**- For offshore wind and hydrogen, the period duration is 2 years, while in the proposed regulation it is 1 year.

- Offshore Wind

S. No.	Period of Commissioning of Offshore Wind Power Projects	Applicable ISTS Charges
1	01.01.2033 to 31.12.2034	25% of the applicable ISTS charges
2	01.01.2034 to 31.12.2035	50% of the applicable ISTS charges
3	01.01.2035 to 31.12.2036	75% of the applicable ISTS charges
4	From 01.01.2037	100% of the applicable ISTS charges

*f (iv) Waiver of transmission charges for the use of ISTS shall be applicable for Green Hydrogen or Green Ammonia Plant as a drawee DIC as follows*

Period of COD (1)	Number of years from COD (2)	% of drawl Schedule to be considered under Annexure-III* (3)
Upto 31.12.2030	25 years	100
01.01.2031 to 31.12.2031	25 years	75
01.01.2032 to 31.12.2032	25 years	50
01.01.2033 to 31.12.2033	25 years	25
After 01.01.2034		0

- GH2/GNH3

S. No.	Period of Commissioning of Green Hydrogen/ Green Ammonia Plants	Applicable ISTS Charges
1	01.01.2030 to 31.12.2031	25% of the applicable ISTS charges
2	01.01.2032 to 31.12.2033	50% of the applicable ISTS charges
3	01.01.2034 to 31.12.2035	75% of the applicable ISTS charges
4	From 01.01.2036	100% of the applicable ISTS charges

**Suggestions:** The duration may please be aligned with the MoP notification.