

GRIDCO Limited

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Date: 28/06/2017

To

The Secretary,
Central Electricity Regulatory Commission,
3rd & 4th Floor, Chanderlok Building,
36 Janpath, New Delhi -110001
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Sub- Views of GRIDCO on Draft CERC (Transmission Planning and other related matters) Regulations, 2017.

Ref- Your Public Notice No. L-1/220/2017/CERC Dt. 26th April, 2017

Sir,

With reference to the above, please find enclosed herewith Views of GRIDCO on Draft CERC (Transmission Planning and other related matters) Regulations, 2017.

This is for your information and necessary action.

Encl: Views of GRIDCO in 5

Pages.

Yours faithfully

Director (Commercial)

C.C.: i) Director (F & CA), GRIDCO, Bhubaneswar

- ii) CGM (Const.), OPTCL, Bhubaneswar
- iii) CGM (RT & C), OPTCL, Bhubaneswar
- iv) Sr. GM (Planning), OPTCL, Bhubaneswar
- v) E.A to CMD, GRIDCO, for kind appraisal of CMD, GRIDCO.

VIEWS/COMMENTS OF GRIDCO ON DRAFT CERC(TRANSMISSION PLANNING AND OTHER RELATED MATTERS) REGULATIONS, 2017

In Response to Public Notice No. L-1/220/2017/CERC Dt. 26/04/2017 of CERC on Draft Central Electricity Regulatory Commission (Transmission Planning and other related matters) Regulations, 2017, followings are the Comments/Views of GRIDCO-

1. Draft Regulation No. 3.3(General Network Access)-COMMENTS:

In regard to General Network Access(GNA), as defined in the above draft Regulations and also used in other provisions, this is to state that vide Notification Dt.30.09.2016 of Secretary, CERC on the report of the Committee to review Transmission Planning, Connectivity, Long Term Access, Medium Term Open Access and other related matters, it has been clearly mentioned that "The Commission has not examined the report of the Committee including the recommendations, opinion and views expressed therein. The Commission will consider the report while making the regulation on connectivity and access to inter-state transmission of electricity."

The Committee for the above in its report Dt.19.09.2016 has also stipulated that the same may be accepted by the Commission, in principle, before an exercise is taken up for preparing the draft regulations.

From the above, it is seen that the GNA concept has not yet been considered by the Hon'ble CERC and hence should not be used in any of the connected Regulations as Hon'ble Commission may accept or may not accept the above GNA concept and may go for alternative mechanism while framing the draft regulations for the above purpose. As the above regulations on Transmission Planning shall cover the governance aspects of Transmission Planning as per preamble of the above regulations, GNA concept does not find significance so far as the Governance Aspect is considered.



VIEWS-

GRIDCO is of the opinion that GNA concept should not be a part of the above regulations CERC(Transmission Planning and other related matters) regulations, 2017 in any way or any manner, whatsoever, before the same is considered by Hon'ble Commission while making the regulations on connectivity and access to interstate transmission of electricity.

2. Draft Regulation No. 3 (Definitions) -

COMMENTS-

- i. 'National Standing Committee', 'Empowered Committee', 'Validation Committee' have not been defined.
- ii. It is not clear from the Regulations, whether the existence of Regional Standing Committee will continue or National Standing Committee will take up the work of the Regional Standing Committee.
- iii. Central Study Committee definition does not include one of the STUs on rotational basis, as stipulated at Reg. 3.4 for Regional study Committee.

VIEWS-

- i. A clear definition of 'National Standing Committee', 'Empowered Committee' and 'Validation Committee' may be brought out in the above Regulations.
- ii. It should be clearly mentioned in the Regulations whether the standing Committee should be mentioned as 'National Standing Committee' or 'Regional Standing Committee', wherever the same has been mentioned as only 'Standing Committee' in the above draft Regulations.
- iii. Details of the constituent Members of the National Standing Committee/ Regional Standing Committee, Empowered Committee

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and Validation Committee may be brought out in the said Regulations.

iv. The definition Central study committee should be modified so as to include one of the STUs on rotational basis to be its member.

3. Draft Regulation 18(Transparency in the Planning Process) VIEWS-

In addition to the steps taken for the sake of transparency in the Planning process, the basic criteria, assumptions, methodology and results of Transmission Planning studies should be published in official websites of CEA and CTU or in any other website, as deemed proper.

The above condition on transparency may be incorporated in the above Regulations.

4. Draft Regulation 19 – (Broad Principles of Transmission Planning)

VIEWS-

The Broad principles of Transmission planning should also include the following factors -

- i. Before taking up any new planning, the available transfer capacity (ATC) of the existing system should be assessed through independent experts and the measures to enhance the transfer capability of the existing system as per the recommendation 6.13(q) of Sri Mata Prasad Committee. Such assessment would ensure the efficient, co-ordinated & economical planning of the ISTS in compliance to Section -38(c) of Electricity Act-2003.
- ii. The Draft Regulation at 19.1(b) i.e. 'likely closing of old/inefficient plants' should be replaced with 'likely closing of inefficient plants' because if old plants with higher efficiency will be closed, it will hamper the Electricity consumers in terms of tariff burden besides wastage of National resources.



- iii. The Generating Stations which are having uneconomical & unaffordable Generation tariff and are beyond the ambit of competition in the Power Market should be closed in the interest of the Nation and Consumers.
- iv. Above Regulations should also include "Sale of surplus power by States" as per the recommendation 6.14.1 of Sri Mata Prasad Committee.
- v. Congestion level upto certain allowable limit should be taken into account for transmission planning.

5. Draft Regulation 27(Manpower Deployment in Transmission Planning) <u>VIEWS</u>

The above Regulation should also include following aspect –

i. Before Certification and handling of System Planning, the engineering personnel of CTU, STU and if necessary DISCOMs should be trained sufficiently in various disciplines of power system planning and system studies that includes technical, financial and commercial aspects in line with recommendation of Sri Mata Prasad committee at Para- 6.13(e) (Pg. 159) of its report.

6. Draft Regulation 23(Procedure for Transmission Planning)

6.1Draft Regulation 23.1.b

VIEWS

As proper and accurate load forecasting is the key foundation to Transmission Planning, the following aspects may be incorporated in the above Regulations to avoid uneconomical planning of the Transmission system-

i. The load forecasting methods and guidelines should be uniform which will be recommended by CEA and CTU for all STUs/DISCOMs for load forecasting as close as possible to real load. Such guidelines on load forecasting should take care of

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demand forecasting and procurement of power from sources outside the State depending on relative cost economics of generation, import/export requirement from ISTS some years in advance, addition of renewable capacity, change in quantum of power drawn by Open access customers as well as seasonal changes in withdrawal requirements.

6.2 Draft Regulation 23.1.p

VIEWS

In view of the Govt. of India policy for adding 175 GW of Renewable power by the year 2022, and since, out of the above targeted Renewable capacity, considerable quantum will be localised for injection at 11 kV, 33kV and 66 kV and also at LT level, the same should be considered towards reduction in required Transmission capacity at EHT Level for transmission planning. This condition should be a part of above Regulation, which otherwise will render the Transmission system as under-utilised, un-economical, resulting in stranded transmission assets.

