Secretary,
Central Electricity Regulatory Commission
3rd & 4th Floor, Chanderlok Building,
36, Janpath, New Delhi-110 001

Subject: Comments/ suggestions on Draft (Grant of Connectivity and General Network Access to the inter-State transmission system and other related matters) Regulations, 2017.

Sir,

This is with reference to Public Notice No. L-1/229/2017-CERC dtd. 14th November, 2017 published on your website, inviting comments/ suggestions on the Subject Draft Regulations. I am submitting following comments/ suggestions on the same, in my Individual capacity, for kind consideration of the Hon’ble Commission:

1. Draft Regulation 2.1(q)
   Though the definition of GNA indicates that it will be granted for a specified period but present draft does not specify any time period of GNA, for which the customer will have right to access as well as liability to pay transmission charges.
   It is suggested that time period of GNA be specified and a provision for its extension before expiry of the same be kept. This is necessary to limit the liability towards payment of access charges. Otherwise, as per the provisions of the draft regulations, even at the end of life of generation plant, it will amount to relinquishment of GNA and the Generator will have to pay one year transmission charges as per draft Regulation 24.1(c).
   Alternatively, suitable provision be made under Regulation 24 for exit of plants older than a certain age (say 12 years) without any levy of relinquishment charges, provided they inform 1 year in advance.

2. Draft Regulation 7.25
   The draft regulation mandates that Generator(s) shall hand over dedicated lines to CTU for O&M. Further, it is noted from para 2.8.5(b) of the Explanatory Note that this stipulation is being made considering dedicated transmission line as an integral part of the grid which should be available and maintained to ensure grid security.
   Above appears to be fallacious. Following may please be considered:

   i. If dedicated line is considered an integral part of the Grid, then why it is being taken out of integrated planning of ISTS? This is also corroborated from point no. 6.12.2 (e) of the Committee report which has been quoted under Para no 2.8.1 of the Explanatory Note as follows:
      “An applicant should be required to construct Dedicated Line(s) to the point(s) of connection to ISTS to enable connectivity to the grid. In case CTU envisages dedicated
lines as lines which should be required to enhance the system reliability even if
generation project does not come up or is delayed, CTU may consider such lines under
coordinated transmission planning.’’

From the above, it appears that aspect of line from generating station to the ISTS
interface point being an integral part of grid or not, is being treated differently under
different regulations.

ii. It is also noted from 2.8 of Explanatory Notes that responsibility of construction of
dedicated line is being kept with the Generator in consideration of Section 10 of
Electricity Act 2003, which provides as follows:
“Section 10. (Duties of generating companies): --- (1) Subject to the provisions of this
Act, the duties of a generating company should be to establish, operate and maintain
generating stations, tie-lines, substations and dedicated transmission lines connected
therewith in accordance with the provisions of this Act or the rules or regulations
made thereunder.”

It may be noted that above provision of Electricity Act inter-alia also includes O&M of
dedicated lines along with responsibility of their establishment by Generating Company.

It is suggested that handing over of dedicated lines to CTU may not be made mandatory.

3. Draft Regulation 7.32
Term ‘The applicant’ used in the Regulation may be replaced with ‘The GNA Customer, since
after grant of GNA the Applicant would become GNA customer as defined under draft
Regulation 2.1(s).

4. Draft Regulation 8.2
The draft Regulation stipulates that CTU shall plan the system in such a way that maximum
length of dedicated line does not exceed 100km. This leaves a question open as to what will
happen, if later, at the time of planning, it is found that it is not possible to provide connectivity
such that line length is less than 100km. Will line beyond 100km be constructed as ISTS and a
new ISTS substation at 100km distance will be created on this account?

It is suggested that such restriction may not be stipulated and connectivity be allowed to be
decided as per reasonable and optimal technical solution.

5. Draft Regulation 10
Draft regulation 10(a) calls for metering point to be at ISTS pooling point, however, under 10(b)
it is provided that if the Generator is connected to more than one pooling point then metering
point will be at the bus bar of the generating station.
This creates a situation of differential treatment, which will result in loading of line losses on
tariff in first case, thereby affecting their competitiveness. It is suggested that it may please be
avoided and metering point be kept at bus bar of generating station in all cases.

6. Draft Regulation 11.5
The draft Regulation provides for processing of any pending LTA or MTOA applications (made
under earlier regulation) as per these Regulations. While LTA and GNA both are long term
products, MTOA application would be only for a period of 3 months to 5 years. It is not clear from the present draft whether GNA would be granted for the period applied for in the pending MTOA application, or for long term even without having been applied for the same.

7. **Draft Regulation 14.2**

It is suggested that the term ‘long-term access’ used in 3rd line of the Regulation, be replaced with ‘GNA’.

8. **Draft Regulation 16.1**

It is being stipulated that GNA application by new generation projects shall be made 5 years prior to the expected date of commissioning of first unit of the Project. Treatment of application made later than that has not been spelt out except for projects which are already under construction (regulation 16.2).

It is suggested that this aspect may please be addressed in the Regulations.

9. **Draft Regulation 16.2**

It is suggested that in 3rd line, instead of ‘For projects under construction...............a generator or park developers may apply for GNA earlier than period specified in Regulation 16.1 and the same.......’ following may be stipulated

“For projects under construction............... a generator or park developers may apply for GNA later than advance period specified in Regulation 16.1 and the same.........’

10. **General Observation**

From the draft regulations 7.31 and 7.32, it is observed that a generator will be able to connect to the grid only after filing GNA application and will be able to interchange firm power with the grid only after operationalization of its GNA. It means that sale of power on short term or through power exchange cannot be effected without GNA. This creates a continuous liability towards payment of GNA charges for entire net capacity of Generating Plant, even when there is no actual dispatch. This is a major change from earlier Connectivity Regulations. Keeping in mind the fact that already there is a large quantum of generation capacity which is without PPA and the prevalent conditions where opportunities of getting into long term PPAs also have not been encouraging, it may be considered prudent that liability on account of GNA is kept nominal. Hon’ble commission may kindly consider, having transmission tariff in two parts – one towards GNA and second part based on quantum of power actually being scheduled.

Above comments/ suggestions are being submitted in my individual capacity and do not in any way represent views of the Organization in which undersigned is working.

Thanking you,

Yours sincerely,

[Vikas Saksgna]