From: ce commercial <cecommercial@rediffmail.com>
Date: 6 February 2020 at 12:27:58 PM IST
To: secy@cercind.gov.in, shilpa@cercind.gov.in
Subject: Comments of APPCC on draft POC Regulations, 2019

Sir,

With Regards,

O/o CE/Comml./APPCC Wing.
### APTRANSCO/APDISCOMs - Comments on the CERC draft POC Regulations, 2019

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<tr>
<th>Sl.No</th>
<th>Provision/brief narration as per existing draft</th>
<th>Comments/Suggestions</th>
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<tr>
<td>1</td>
<td>Provision 5 (3), coverage of National Assets in National Component.</td>
<td>100% Transmission Charges of Biswanath Chariali / Alipurduwar – Agra HVDC Transmission System has been covered under National component. Whereas other major HVDC links such as Kolar-Talcher HVDC link (connecting Eastern-Southern), Raigarh &amp; Pugalur HVDC Line (connecting Western-Southern) etc are in Regional Components with 70% Cost coverage and remaining 30% cost coverage in National component. The specific reasons for special treatment to Biswanath Chariali / Alipurduwar – Agra HVDC Transmission System are not spelled out. It is requested to cover all High Capacity Power Corridors consisting of HVDC Transmission Systems connecting two different regions should be treated as Regional Assets duly taking into account the objective &amp; purpose of the project.</td>
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<td>2</td>
<td>Under clause 6 (2) it is stated that: Transmission charges covered under sub-clause (a) of clause (1) of this Regulation shall be shared by the Drawee DICs in the ratio of their quantum of Long Term Access plus Medium Term Open Access.</td>
<td>The same is suggested to be reworded as following: Transmission charges covered under sub-clause (a) of clause (1) of this Regulation shall be shared by the Drawee DICs of the same region in the ratio of their quantum of Long Term Access plus Medium Term Open Access.</td>
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<td>3</td>
<td>10. Sharing of Transmission Losses (3): No transmission loss for ISTS shall be applicable while preparing schedule for injection node including that for Collective Transactions over the Power Exchanges.</td>
<td>In the existing practice / Regulation Losses are attributed to injection entities also even in collective and short term transactions. The losses are to be shared by both the seller and the buyer, hence the exemption of seller alone cannot be admitted.</td>
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<td>4</td>
<td>Under clause 11 with regard to Specific Cases-certain exemptions to Wind &amp; Solar (RE) plants have been granted. As per Clause 11 (1) (d) - Long Term Access and Medium Term Open Access</td>
<td>As per the draft Regulation provisions 4 (2) and 4 (4), transmission systems developed for renewable energy projects as identified by the Central Transmission Utility are qualified as National Component-Renewable Energy and Transmission charges for the National Component shall be shared by the drawee DICs in the ratio of their quantum of Long term Access plus Medium Term Open Access.</td>
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for Cases covered under sub
clause (a), (b) and (c) of this
Clause shall be excluded
from the computation of
transmission charges under
Regulations 5 to 8 of these
Regulations.

Further, as per the provisions of the draft
Regulation under clause 11 (1) (d)-LTA & MTOA
pertaining to RE concessionnaires shall be
excluded from the computations of Transmission
Charges. That implies, the charges are getting socialised
on all paying parties across the Country under
these regulations. This is very unfair. The
States are fulfilling the commitments given by
GoI as part of Intended Nationally Determined
Contributions (INDCs) and developing the RE
sources duly bearing additional costs in terms of
Adequacy Cost, Balanign Cost and Grid
integration cost. The same was also confirmed
by the highest technical arm in the Country in so
far as power sector is concerned i.e Central
Electricity Authority (CEA).
Since these are the mandates of Central govt,
and the concessions have been granted at the
insistence of GoI, the Ministry of Power or
Ministry of NRE has to arrange to compensate
the waivals or concessions extended towards
transmission charges and losses and relieve the
States from bearing the burden. The allocated
cost component shall be directly chargeable to
the GoI. Suitable amendment may please be
incorporated in the Regulation.

As per **clause 12** of the draft
Regulation:- An Intra-State
Transmission System
already certified by the
respective Regional Power
Committees being used for
inter-State transmission of
electricity and for which
tariff has already been
approved by the
Commission, shall be
covered under these
Regulations: Provided that
such intra-State
Transmission System shall
be included under these
Regulations only for the tariff
period for which tariff has
already been approved by
this Commission.

The tariff for Deemed ISTS Lines (Intra State
Lines carrying Inter State Power as certified by
the concerned RPC based on a criteria) is to be
determined by the concerned SERC. The
criteria for qualifying a particular InSTS line is to
be specified by the CERC itself in the present
Regulation. At least 33.33% of the line flow is
attributed to ISTS generation in a month, is to be
include into the calculations.

**13. Billing (2)-c ii**
In case of aggregate
metered ex-bus MW

The transmission charges for the entire
transmission assets are derived from the long
term and medium-term open Access customers.
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<td>7</td>
<td>In 13 (2) (C) iii (a) it is stated that, the Transmission Deviation Rate for a State shall be charged at 1.20 X (transmission charges of the State for the Billing month)/ (quantum of Long Term Access plus Medium Term Open Access of the State for the Billing month)</td>
<td>The penal charge of 20% additional on account of Transmission deviation is stringent on the DICs which is ultimately passed on to the DISCOMs which are reeling under financial distress. In view of this, it is requested to specify Transmission deviation rate as 1.10X transmission charges of the State for the Billing month.</td>
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<td>8</td>
<td>13 (2) (C) iii (b) it is stated that, the Transmission Deviation Rate for generating stations and <strong>bulk consumers</strong> shall be charged @Transmission Deviation Rate for the State where the generating station or <strong>bulk consumer</strong> is located.</td>
<td>The term “<strong>Bulk Consumer</strong>” is not defined in the Regulation. It is requested to define the Term “Bulk Consumer” with more clarity. Applicability, pros &amp; cons of these Regulations to the Bulk Consumer may please be spelled out.</td>
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<td>9</td>
<td>13 (3) : No transmission Charges shall be levied for Inter-State transmission system in respect of Short Term Open Access transactions.</td>
<td>Non levying of any kind of transmission charges for Short-Term Open Access Transactions is incorrect and unreasonable. Almost 5% to 10% of power is being transacted through Short-Term in bilateral market or through exchanges or DEEP E-bidding portal. A mechanism to price the short term usage of ISTS may be incorporated along with responsibilities on billing &amp; collections.</td>
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<td>10</td>
<td>In clause 21 (2) it is stated that the, Implementing agency shall notify on its website, the peak block for the billing month on first day of the following month.</td>
<td>It is requested to add proviso stating that all the States need to submit the details of Intra State Generation injections / Drawals as may be required by the Implementing agency, for the same notified time block subjected to the scrutiny by RLDCs/RPCs.</td>
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