

एनएलसी इंडिया लिमिटेड

(भारत सरकार का 'नवरत्न' उद्यम)

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वाणिज्य विभाग / **COMMERCIAL DEPARTMENT**

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Lr.No. NLCIL/Comml/GNA 2021/comments/2200-3/ 2022- 12 Date: 19.01.2022

To

The Secretary,

Central Electricity Regulatory Commission,

3rd & 4th floor, Chanderlok Building,

36, Janpath Marg,

NEW DELHI - 110 001.

Sir,

Sub: Draft Central Electricity Regulatory Commission (Connectivity and General Network Access to the inter-State Transmission System) Regulations, 2021 – Submission of NLCIL comments - Reg.

Ref: 1. Public Notice No. L-1/261/2021/CERC Dated 16.12.2021

2. Public Notice No. L-1/261/2021/CERC Dated 14.01.2022 for extension

Pursuant to the communication of Draft Central Electricity Regulatory Commission (Connectivity and General Network Access to the inter-State Transmission System) Regulations, 2021 seeking comments of the stakeholders, vide references cited above, NLCIL is hereby submitting its comments.

The comments have also been mailed to secy@cercind.gov.in and shilpa@cercind.gov.in.

Thanking you,

Yours faithfully,

for NLC India Limited

Chief General Manager / Commercial

Encl : As above

NLCIL's Comments on the Draft CERC (Connectivity and General Network Access to the inter-State Transmission System) Regulations, 2021

The proposed regulations depict the framework to provide the right to access the transmission systems throughout the country and flexibility to all injecting and drawing entities for the use of ISTS through General Network Access (GNA).

GNA & T-GNA granted under these regulations will provide open access to ISTS connectivity in long term, medium term & short-term electricity transactions. This in turn will help Indian Power market to build price discovery mechanism in a fair & competitive way and ensure optimum utilization of generation & transmission capacities.

Regulation 4. Eligibility for Connectivity to ISTS

4.2 A generating station, already connected to or intending to connect to intra-State transmission system shall also be eligible as an Applicant for Connectivity.

Policy stipulation:

The proposal envisages the flexibility and opportunity for Generating Stations to connect to both ISTS Network and Intra State Network.

NLCIL Comments:

The draft regulation provides Generating stations the flexibility and opportunity to connect to both ISTS network and Intra State network. This would ensure optimum utilisation of the generating capacity as well as both STU & CTU transmission networks. On this front it is requested that the commission may issue the detailed procedure for scheduling by SLDC or RLDC and computation of DSM charges while connecting to both the ISTS and Intra state network. It is also requested to clarify, in case of outage of any generating unit, how scheduling will be distributed over STU & CTU transmission networks.

Regulation 5. Application for Grant of Connectivity

5.6. An Applicant may apply for grant of Connectivity at (i) a terminal bay of an ISTS sub-station already allocated to another Connectivity grantee or (ii)



switchyard of a generating station having Connectivity to ISTS, with an agreement duly signed between the Applicant and the said Connectivity grantee or the generating station having Connectivity to ISTS, as the case may be, for sharing the terminal bay or the switchyard and the dedicated transmission lines, if any. The applicable Connectivity Bank Guarantee as per Regulation 8 of these regulations shall be submitted by such Applicant.

Policy stipulation:

The proposal envisages the provision to establish ISTS interface point either at switchyard of any generating station or ISTS substation.

NLCIL Comments:

The commission has already made provision for establishing connectivity at both Generating station and ISTS Stations. The connectivity to generating stations with an installed capacity of 1000 MW or more may be provided at the switchyard of the generating and shall be considered as ISTS interface point. If the Generating Station Switchyard is considered as ISTS Interface Point then the ATS for the generating station shall be developed by the transmission licensee and corresponding transmission charges can be pooled with existing assets.

Regulation 7. In-principle Grant of Connectivity by the Nodal Agency

7.2 In case the Nodal Agency, after the interconnection study undertaken in accordance with Regulation 6.1 of these regulations, determines that ATS is required, the Nodal Agency shall intimate in-principle grant of Connectivity to the Applicant within 60 days from the last day of the month in which the application had been received:

Provided that intimation for in-principle grant of Connectivity shall include the ATS and terminal bay(s), estimated cost of such ATS and terminal bay(s), minimum design features for dedicated transmission lines to be constructed by the Applicant and the likely date of start of Connectivity:

Provided further that the firm date of start of Connectivity shall be confirmed at the time of final grant of Connectivity.

Policy stipulation:

The proposal envisages that dedicated transmission line from switchyard of power station to the pooling station of the transmission licensee shall be developed and owned by the Applicant and operated by the CTU.



NLCIL Comments:

As generators are not specialized in construction of transmission lines, it may lead to delay in project executions. So, it is requested to consider that Nodal agency which is expert in such works may take the scope of dedicated transmission system along with ATS.

Regulation 8. Connectivity Bank Guarantee

8.3. (c) In the event the Nodal Agency, does not intimate the details as per clause (b) of this Regulation within 6 (six) months, the Nodal Agency shall furnish the reasons for such non-intimation to the entity with a copy to the Central Commission within one month of expiry of such period of six months with a probable date by which the details of Conn-BG2 and such timeline shall be furnished:

Provided that in the event of non-intimation by Nodal Agency within six months, the entity shall have the option of withdrawing the application for Connectivity and in such a case, the Conn-BG1 shall be returned within one month of exercising option of withdrawal by the entity and application shall be closed.

Policy stipulation:

The proposal envisages that with in 6months of payment of Conn-BG1, if Nodal agency does not intimate the timeline for completion of ATS including terminal bay(s) and the firm date of start of Connectivity then grantee can withdraw the application of connectivity.

NLCIL Comments:

In case of such delay or delay in firm date of start of Connectivity as compared to the scheduled date, the draft regulation has not mentioned about any compensation to the grantee. In such case power evacuation from the generating project may be delayed which will lead to huge financial loss for the developer of generating station. Hence, for such losses, appropriate compensation to the Generator may be provided in the Regulation.



Regulation 10. Connectivity Agreement

10.1. An entity which has been intimated the final grant of Connectivity, shall furnish technical connection data, inter alia, generator data for fault studies, dynamic simulation data, details of data and voice communication, to the Nodal Agency as stipulated in the Detailed Procedure for Connectivity and GNA issued in accordance with Regulation 39.1.

Policy stipulation:

The proposal envisages that grantee has to furnish technical connection details to Nodal agency.

NLCIL Comments:

It is understood that technical connection data and several other information need to be furnished by the entity which has been intimated for final grant of connectivity to the Nodal agency. It is requested to stipulate the timeline for furnishing the same.

Regulation 22: Grant of GNA

22.2 Grant of GNA to entities other than STU

(d) Entities covered under Regulation 4.1 and clause (iii) of Regulation 17.1 of these regulations shall furnish one-time GNA charge for Rs. One lakh per MW for the quantum of GNA one month prior to the start date of GNA. In case, such charges are not furnished by the entity within the specified timeline, the same shall be recovered by encashment of Conn-BG1, Conn-BG2 and Conn-BG3 as required. The proceeds of such onetime GNA charge shall be used for reducing Monthly Transmission Charges under the Sharing Regulations.

Policy stipulation:

The proposal states that the charges payable by the Generating stations are only the One-Time GNA charges.

NLCIL Comments:

As the GNA is obtained for installed capacity of the generating stations, the charges as the whole admissible for the Generating stations are the One-time



GNA charges and no further charges have to be paid by the Generating stations. As this charge will be utilised for reducing Monthly Transmission Charges under the Sharing Regulations, it is requested to specify that same may be recovered from beneficiaries under long term PPA who is having long term access to transmission system. It is also requested to clarify whether the above charges will be for Installed capacity or only for the capacity exportable to CTU or STU network.

For example, for a generating station with an installed capacity of 500MW with Normative Auxiliary Power Consumption (APC) 5%, this charge will be payable for 500 MW or 475 MW (500MW - 5% of 500MW).

Regulation 34. Transmission charges for T-GNA

34.2. Transmission charges for T-GNA, in case of bilateral and collective transactions, shall be payable only at point of drawal, as per the last published Transmission charge rate for T-GNA for the State where such point of drawal is located:

Provided that under collective transactions, transmission charges for T-GNA shall be payable for drawal schedules more than GNA quantum or T-GNA quantum or both, as applicable.

Policy stipulation:

The proposal states that transmission charges in both bilateral and collective transactions will be payable by only buyers and it will be for the quantity over & above GNA & T-GNA allocation.

NLCIL Comments:

Currently in LTA/MTOA/bilateral transactions, transmission charges are being paid by only buyers, but in case of collective transactions it is being paid by both buyers and sellers (In case of buyer, it is for the quantity over and above its LTA/MTOA quantity) which is leading to double collection of transmission charges. After commencement of this regulation this problem would be resolved. It is requested to advise all states to adopt same procedure in case of STU transmission charges which will lead to a fair & competitive price discovery mechanism in bilateral & collective transactions.

