Gmail **Abhishek Rohilla <cerc.abhishek@gmail.com>**

Fwd: comments / suggestions on draft CERC GNA reg.

1 message

Abhishek Rohilla <abhishek.rohilla@delhi.gov.in> 26 January 2022 at 13:55
To: cerc abhishek <cerc.abhishek@gmail.com>

Regards,
Abhishek Rohilla
Dy. Chief (Engg.)
Central Electricity Regulatory Commission
3rd Floor, Chanderlok Building,
36, Janpath, New Delhi-110001

Mb. 9643439120

----- Forwarded Message -----
From: "Shilpa Agarwal" <shilpa@cercind.gov.in>
To: "Abhishek Rohilla" <abhishek.rohilla@gov.in>, "Ratnesh Kumar" <ratnesh.cea@gov.in>
Sent: Friday, January 14, 2022 11:11:26 PM
Subject: Fwd: comments / suggestions on draft CERC GNA reg.

----- Forwarded Message -----
From: spjoshi1@bsnl.in
To: Sanoj Kumar Jha <secy@cercind.gov.in>, Shilpa Agarwal <shilpa@cercind.gov.in>
Cc: spjoshi1@bsnl.in
Sent: Fri, 14 Jan 2022 22:47:27 +0530 (IST)
Subject: comments / suggestions on draft CERC GNA reg.

<blockquote style="padding-left:0;margin-left:0;margin-top:0">
 Sir/madam

The CERC has issued public notice vide No.L-1/261/2021/CERC dated 16thDec., 2021 inviting comments / suggestions on the Draft CERC ((connectivity and General Network Access to the inter-state transmission system) regulations 2021 by 17th Jan.,22.I am submitting my comments / suggestions for the considerations of the commission. I will not be participating in hearing.

yours
Shanti Prasad
Ex-chairman, RERC.

</blockquote>
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[HID]20220114224727947[-HID]

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From,
Shanti Prasad,
41-A, RSEB Officers Colony,
D-Block, Vaishali Nagar,
Jaipur -302021
15th Jan., 2022

To,
The Secretary,
Central Electricity Regulatory Commission,
3rd & 4th Floor, Chanderlok Building,
36, Janpath, New Delhi-110001 Tel: 23353503.

Sub: comments / suggestions on draft CERC GNA reg..

Sir,

The CERC has issued public notice vide No.L-1/261/2021/CERC dated 16thDec., 2021 inviting comments / suggestions on the Draft CERC ((connectivity and General Network Access to the inter-state transmission system) regulations 2021 ('draft CERC GNA reg') by *17th Jan.,22*.I am submitting my comments / suggestions for the considerations of the commission. I will not be participating in hearing

2. Reg 2.1(ab)-(Nodal agency):- As per sec.2(36)(ii) of the Electricity Act 2003. Inter State Transmission system, includes the conveyance of electricity within the state which is incidental to interstate transmission of electricity. Accordingly number of state sector transmission lines and substations have been designated as **deemed Inter-state transmission system** (vide CERC's order dated 20.06.2018 on petition no. 215/TT/2017 in respect of such 21 nos. of assets of RVPN). These being part of ISTS should be covered by the regulations. For these substations, for connectivity and network access, Central transmission utility as nodal agency for connectivity or general network access as per this regulation of Draft CERC GNA reg does not appears to be appropriate as (i) these lines and substations are operated and maintained by state transmission utility.(ii) additional bays at these substations shall be created by STU and their costs will be borne by STU . and (iii) connectivity to such substations can be intra-state as well as inter-state open access for which information is available with STU. As such, STUs may be made nodal agencies for connectivity and general network access and to have application fee and encashment of Conn-BG1 and Conn – BG2 with STUs and their encashment of con-BG2(vide reg 8.3(e) should be with STUs. Provisions of CTU vide reg.1.4 and issue procedure not inconsistent with reg and procedure issued by NLDC under reg 39 should apply to such STUs.

3. If GNA connectivity and access for *deemed ISTS* is to be regulated centrally by CTU then application for connectivity and GNA should be decided in consultations with concerned STU and application fee to be shared between CTU and STUs and proceeds of encashment of BGs should also be on STU's request and passed on to concerned STUs.

4. Reg. 3.6 -(Date of application) : date of application is specified in this regulation as date of application (as per reg 3.4) for the purpose of processing the applications for granting connectivity. This is in order only if there is no deficiency or

deficiencies rectified during the month of dats of application. Otherwise , it has to be date on which rectification of defects is effected. This requires to be specified and it is suggested words “with rectification of defects, if any,” may be added after “connectivity” in first line.

5. Reg.3.2- (application fee), Application fee for connectivity is specified as Rs.5 lakhs except that for additional generating capacity it will be Rs. 3 lakhs. The eligibility for the grant of connectivity is 50 MW and above vide reg 4.1(a), (b) and (c) while as per 4.1(d) for renewable energy power park developer no MW capacity is specified and as per reg 4.1(e) for Renewable energy generating stations or standalone ESS it is 5 MW and above. Thus for plants, covered under 41.(d) and(e) connectivity can be for capacity much lower than 50MW. To prescribe the same fee for 50MW capacity and 5 MW capacity will not be appropriate and application fee of Rs.5 lakhs may be specified, for connectivity of 50 MW and higher capacity and for lower capacity, application fee may be specified on prorata basis for each block of 5 MW or part thereof. i.e application fee may be specified as Rs.0.50 lakhs for connectivity of every 5 MW and part thereof subject to maximum of Rs.5 lakhs. Such fee may also be applicable for additional capacity of a generating station or ESS or RE power park developer or application through lead ESS or lead generator vide reg 5.8(viii) and there be no sparate provision of application fee for additional generation capacity in reg 5.2

6. Reg 6.1 (first and second proviso) – (transmission system for system study): These proviso specifies carrying out of system studies for <u>existing</u> ISTS which shall include transmission system which has been <u>awarded</u> for implementation. Underlined part needs review. In case of Bhadala -II and Fatehgarh -1 765 kV substations of Power Grid , connectivity has been sought almost with the sanction of these substations with no work commenced at site. For such application, system studies have been done for the month of its commissioning and for the month connectivity is sought. Further, if connectivity is sought say 1year in advance, studies has to consider load growth up to that period (including connectivity already sanctioned). Thus system study can not be for existing system and existing system conditions. It has to be for transmission system and connectivity envisaged by that month. Further, creation of transmission system has gestation period and award of contract does not mean the availability of system. It is suggested that second provision may be

> “Provided that the existing ISTS for the purpose of this Regulation shall include existing transmission system as on the last day of the month in which application for grant of Connectivity complete in all respects is received and **will consider** transmission system which has been awarded for implementation till the conclusion of system study and envisaged to be commissioned by **the month from which GNA has been sought to be effective**”

7. Reg 8.3 -connectivity BGs: Three connectivity guarentes have been specified as under

(i)Conn-BG-1 of Rs. 50 lakhs
(ii)Conn BG-2 of Rs.2 crores per 132 kV bay, Rs.3 crores per 220 kV bay, Rs.6 crores per 400kV bay and Rs.12 crores per 765 kV bay.
(iii) Conn BG-3- Rs. 2 lakh/MW for the existing ISTS

Thus (iii) is not in lieu of (i) and as such for connectivity to existing ISTS, there will be additional BG of Rs2 lakhs per MW (conn BG3) and for 50 MW connectivity it will be additional Rs.100 lakhs. To have higher BG for connectivity to existing ISTS vis-à-vis such connectivity to new ISTS does not appears appropriate and is discriminatory. It would be appropriate to specify (i) for new ISTS and (iii) for existing ISTS with ceiling of Rs.50 lakhs..

8. Reg. 8.3(d) This reg. specifies that amount for which Conn-BG2 is to be furnished as per clause (b) of this Regulation, shall be equal to estimated cost of Associated transmission system (ATS) and terminal bay(s). Reg. 6.2 specifies ATS to be the augmentation excluding terminal bay(s). Normative cost of terminal bays is specified at reg. 8.2(a). With normative bay cost specified at reg 8.2(a), for ATS it should not be the estimated cost. This provision needs revision. It is suggested that words "equal to estimated cost of ATS and terminal bay(s)" may be substituted by equal to cost of terminal bay(s) as per reg.8.2(a) plus estimated cost of ATS"

9. Reg. 15.2- splitting of connectivity: it has been observed that connectivity is initially sought by RE Park developer and it is reassigned among RE power plant developers in the park. As such, splitting of connectivity should also be allowed to RE park developer.

10. Further there can be diversity among RE power plant developers, for example for hybrid re park diversity among wind and solar power plant (due to non simultaneous occurrence of peak solar and peak wind generation,, among ESS and RE power plant (as there will be absorption of RE power by ESS and non simultaneous occurrence of peak ESS and peak RE generation). on this account, split parts may have higher connectivity capacity then connectivity of initial grantee. This should be taken care by the CTU. Thus provision of "the Connectivity shall be deemed to have been split in proportion to installed capacity of each such part" will not be appropriate and it would be appropriate to add " except where different proportion can be accepted based on diversity if it is established that connectivity sanctioned to grantee will not exceed". Similar provision will be required where STU's connectivity will be split among Generator and distribution licensees.

11. Reg. 18.1 and annexure A (deemed GNA): The formula to calculate deemed grant of GNA (A) is not correct as

(i) second part of A i.e. average of (maximum ISTS drawal in a time block in a day) during the year, results in averaging out of the seasonal variation.
(ii) taking average of A for FY 2018-19, 2019-20 and 2020-21, will result in averaging the annual rate of growth for two year and virtually considering middle year (i.e. 2019-20).

12. Further RE rich state too will have uncertainty of RE generation as such peak drawal may be high when RE generation is low. On account of these grant of deemed GNA will be much less than actual peak drawal. These will be predominant for agricultural rich and RE rich states like Rajasthan, Punjab, Haryana and Gujarat vide table below. Such variation is also reflected on all India basis also.:

State	Deemed GNA, MW	Peak Drawal, MW	Ratio -peak drawal / deemed GNA
Rajasthan	5755	7834	1.3613
Punjab	5497	7834	1.4251
Haryana	6913	9132	1.3210
Gujrat	6434	8852	1.3758

All india	106578	138289	1.2975

13. System could meet demand even (during the day) though summation of peak demands was higher due to diversity of load demand and generation during the day. It could meet higher demands during the year on account of seasonal variations. As system has met the demand as existing, deemed GNA should be the peak demand catered so far and it should be left on the states to seek its reduction, if required, within 3 months of the effective date of CERC GNA Reg and till then present system should continue. Even in future, grant of GNA should be the transmission capability (as per system study) x diversity factor (for different categories / mix of the load).

14. Further, the segregation of GNA among utilities under reg 18.1(e) should take into account the diversity i.e. sum of segregated GNA= diversity factor x state's GNA

15. Reg.20 to 24 –(Application and grant of GNA): GNA is not the point to point Open access. It is the open access at the point of connectivity by generator (injector) or load (drawer). The scheduling by generator / drawer is to be within sanctioned GNA/ deemed GNA and will be curtailed based on load – generation balance and any transmission constraint to supply of power by one generator to number of drawers or number of generators to one drawer and shall be considered while scheduling. Thus separate application for application and grant of GNA should be dispensed with. After the grant of connectivity GNA must be deemed to have been granted from the date connectivity has been sought. Grantee should convey monthly the intimation of date of commencing scheduling and should apply for grant of GNA only for its alteration (increase / decrease) in connectivity/GNA.

16. Reg 22(d)- (GNA charge): one-time GNA charge for Rs. one lakh per MW for the quantum of GNA one month prior to the start date of GNA, should remain as security deposit with CTU / STU for payment of transmission charges etc. Only interest thereon should be used for reducing Monthly Transmission Charges under the Sharing Regulations (or relevant transmission reg. of STU). Only the amount received by invoking BGs under reg 24.2 , after recovery of dues of CTU/STU, should reduce the monthly transmission charges under sharing regulations.

17. Reg.5.8 and 23.1:- Reg 5.8(viii) provides that application through Lead generator or Lead ESS shall be accepted only with agreement for sharing the dedicated transmission lines and terminal bay. Reg 5.8 (ix) provides similar provisions for sharing of the terminal bay or the switchyard of the connectivity grantee. Both should have provisions of sharing switchyard, transmission line and terminal bay as the case may be. Further reg 23.1 provides that payment liability for transmission charges shall continue to be with the original GNA grantee (and it shall also be on lead generator or lead ESS as they will be the original grantee). It implies that transmission charges for connectivity shall be payable by original grantee and then will be shared along with O&M charges of transmission lines, switchyard and terminal bay with other applicant user as per sharing agreement and enforced under said agreement. However, there is no safe guard of payment by applicant user. In case of forecasting and scheduling by QCA (qualified coordinating agency) for number of wind or solar power generators connected to an STU, there has been disputes of non -payment or delay in payment. It would be appropriate to provide some safeguards .e.g. considering of payment default under sharing agreement as

non payment under the provisions of the regulations, CTU to take action as per reg. 16.3 on conveying user's default by lead generator or lead ESS or original grantee.

18. Reg 25 – (relinquishing charges): Relinquishing charges of 60 month's transmission charges under reg 25 appears high since connectivity / GNA reduced may be utilised by the other. Such high number of months will lead to transfer of connectivity / GNA. In respect of RE rich state, with higher and higher penetration of RE , GNA will have to be reduced by RE rich states and levy of such heavy charges will lead to discouraging promotion of RE generation to ward off adverse climatic changes and will also be financial burden on Distribution licensees and in turn on consumers which is not in consumers interest envisaged to be objective of the Electricity Act vide its preamble

19. Reg 43- (Repeal and savings): This regulation uses the words 'hereby repealed' which means that it specifies repeal of existing open access regulations and procedure thereon from the date of notification of the regulations. It is submitted that repeals should be effective such that (i)there is no vacuum between the date of implementation of CERC GNA reg. and repealed regulations; and (ii) procedures under CERC GNA reg is in place before repeal of procedures under repealed open access regulations and (ii) generators and drawers of less than 50 MW capacity covered by existing open access regulations does not remain stranded.

20. Since CERC GNA Reg. 2021 shall be effective vide reg reg 1.2 from such date as the Central Commission may notify and different dates may be appointed for commencement of different regulations so repealing of the existing regulations with the notification of the CERC GNA reg. may lead to period of no regulations, so repeal of existing regulations or part thereof should be as per the notifications of the central commission for the date notified for effecting full or part of CERC GNA Reg,.

21. Since detailed procedure under regulations 39.1 shall be issued within 3 months of the notification of the regulations, so repealing of existing procedure should be from date of notification of procedures under CERC GNA reg or appointed date for implementing CERC GNA reg, whichever is later.

22. Provisions of scheduling and sharing of transmission charges::- The scheduling under GNA has to be as per IEGC-2010 but IEGC 2010 refers to CERC Open Access reg. 2008 (vide reg. 6.5(opening para) and 6.5©). Similarly, reg 40.1 provides for sharing of transmission charges and losses for use of the inter-State transmission system among buying entities of ISTS in accordance with the Sharing Regulations. CERC(sharing of inter-state transmission charges and losses) regulations , 2020 also refers to CERC Open access regulations-2008. It would be appropriate to effect appropriate amendments to these regulations or alternatively, this regulations should provide that open access regulations referred in these regulations will be deemed to be the reference to CERC GNA reg, where applicable.

Shanti Prasad,
Ex-chairman, RERC