

TRANSMISSION CORPORATION OF TELANGANA LIMITED VIDYUT SOUDHA::HYDERABAD - 82

Website:www.tstransco.in CIN No.U40102TG2014SGC094248

From Chief Engineer/SLDC, TSTransco, Room No.613, Vidyut Soudha, Khairatabad, Hyderabad- 500082. To
Secretary, CERC.
3 rd & 4 th Floor, Chanderlok Building
36, Janpath, New Delhi- 110001.

Lr.No.CESLDC/SESLDC/DE(DS&S-II) /F.POC/D.No. 05 /20, Dt: 04 .02.2020

Sir,

Sub: TSTransco - SLDC - Draft Regulations, 2019 (Sharing of Inter-State Transmission

Charges and Losses) - Submission of comments & Observations - reg.

Ref: Public Notice No. L-1/250/2019-CERC, Dt: 02.12.2019.

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With reference to the above, I am directed to submit the following views on the proposed draft regulations, for your kind consideration.

a) Regulation7 (2)

Transformers Component of transmission charges shall be borne by all Designated ISTS customers (DIC's) based on the usage component in similar lines of Transmission lines. As TS grid is availing power from various PGCIL ICT's & Geographically TS is at upstream of SR region and there is possibility of drawl of power by downstream states.

b) Regulation 9(4)

As in the new regulation base case is computed for peak block of billing month, Implementing Agency (IA) is requested to ensure both generation and ISTS drawalof DIC's communicated. It is also requested IA to confirm the final values of DIC's from States going to be considered for finalization of charges in case of any adjustments.

c) Regulation 13(2)(C)(iii) (a)

The existing methodology may be considered as the drawal variation may be an account of RE variation or forced outage of units etc.

d) Regulation 21(4)

30 days is required for preparing the data for onward submission to Implementing Agency (IA) as ABT mechanism is not implemented in many states.

e) Regulation 21(6)

30 days time may be granted to coordinate among state entities.

f) <u>The following observations on the Draft Regulations, 2019 (Sharing of Inter State Transmission Charges and Losses) of TSTransco are as follows:</u>

- (1) The Central Electricity Regulatory Commission (CERC) draft Regulations, 2019 on sharing of Inter-State Transmission Charges & Losses, stipulate at Clauses-4 & 5 (Chapter-2) that Transmission Charges for each Designated ISTS Customers (DIC) shall have (a) National Component (NC) (b) Regional Component (RC) (c) Transformers Component (TC); and (d) AC System Component (ACC) and the National Component further comprises two Sub-Components (i) National Component Renewable Energy (NC-RE) and (ii) National Component HVDC (NC-HVDC). The National Component Renewable Energy is declared as Transmission charges for Transmission Systems developed for Renewable Energy projects as identified by CTU.
- (2) The Ministry of Power (MoP), Government of India has already notified the Waiver of Inter-State Transmission Charges & Losses on transmission of the Electricity generated from Solar & Wind Sources of energy under para-6.4(6) of the Revised Tariff Policy, 2016; the concession available for a period of 25 years for the aforesaid Renewable Energy Projects (Solar & WIND) commissioned upto 31st December, 2022, if the projects are awarded through competitive bidding process.
- (3) The Distribution Licensees of various States have entered into Long Term Power Purchase Agreements with SOLAR & WIND energy developers through Implementation Agencies/Traders (NTPC/SECI) based on the Ministry of Power notification on waiver of ISTS Charges and Losses.
- (4) Since the Ministry of Power notification is a policy directive to the Hon'ble Central Electricity Regulatory Commission, the Waiver of transmission charges for ISTS has to be reflected in the draft CERC Regulations on sharing of ISTS Charges & Losses.

- (5) Though CERC has notified the Waiver of such charges at Clause-II (Chapter-3 Specific Cases), yet the National Component Renewable Energy (NC RE) stipulates for payment of transmission charges for transmission systems developed for Renewable Energy Projects, which are predominantly ISTS connected SOLAR & WIND Energy Projects and such mandatory provision is nullifying the waiver notified by the Ministry of Power.
- (6) In view of the above, CERC is requested to revisit the same and consider to suggest to the Ministry of Power, Government of India for reimbursement of National Component-Renewable Energy component to PGCIL from Power System Development Fund (PSDF), already created by the Ministry of Power.

Yours faithfully,

Chief Engineer/SLDC (I/C)

Copy submitted to:

Director (Grid Operations)/TSTransco for favour of kind Information.

Copy to:

Superintending Engineer/Tech. to Chairman & Managing Director/ TSTransco.

P.S.to Joint Managing Director (Finance, Comml., & HRD)/TSTransco.

Member Secretary/SRPC/29, Race Course Cross Road/Bengaluru-560009

Executive Director/SRLDC/ 29, Race Course Cross Road/Bengaluru-560009

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information