

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Petition No. 15/SM/2023

Coram:

Shri Jishnu Barua, Chairperson

Shri I. S. Jha, Member

Shri Arun Goyal, Member

Shri P.K. Singh, Member

Date of Order: 1.10.2023

In the matter of:

Removal of Difficulties (Third Order) in giving effect to certain provisions of Central Electricity Regulatory Commission (Connectivity and General Network Access to the inter-State Transmission System) Regulations, 2022.

ORDER

The CERC (Connectivity and General Network Access to the inter-State Transmission System) Regulations, 2022 (hereinafter referred to as “GNA Regulations”) were notified on 7th June, 2022 and the first amendment to the GNA Regulations 2022 was notified on 1st April, 2023. The provisions of the GNA Regulations were made effective from 05.04.2023, barring a few provisions. The remaining provisions of the GNA Regulations have been notified to come into effect from 01.10.2023. Subsequently, the Commission vide order dated 22.09.2023 in Petition No. 11/SM/2023 and vide Order dated 29.09.2023 had issued certain clarifications and the practice directions for removal of difficulties raised by CTUIL in the implementation of the GNA Regulations.

2. CTUIL vide letters dated 22.09.2023 and 29.9.2023 has highlighted certain additional difficulties faced in the implementation of the GNA Regulations and also sought clarification on a few aspects. The GRID-INDIA vide letter dated 11.09.2023 has also requested for certain relaxations under GNA Regulations.



Each of such issues raised and its treatment are detailed herewith in subsequent paragraphs. Further, some other clarificatory issues raised by other stakeholders through letters to CERC, have also been addressed in the instant Order.

Issue No.1: GNA of Indian Railways drawl at ISTS point of Allahabad (Naini)

3. CTUIL has submitted that Railways NR-ISTS-UP has been granted GNA of 130 MW for drawl at ISTS interface at Auraiya and Dadri as per Annexure-I of the GNA Regulations. However, Railways is also drawing power at 220 kV level from ISTS interface of 400/220kV Allahabad (Naini) (PG) substation in Northern Region (NR). Further, North Central Railway (NCR) (Jagdhari TSS) is also drawing power from 400/220kV Abdullapur substation (STS) located in NR through 220kV bays of HVPN. However, North Central Railway would now draw about 21 MVA power directly from the ISTS (in place of 220 kV HVPN bays) from this substation shortly. In this regard they have signed a connection agreement with CTUIL. In view of the above, GNA to Indian Railways for drawl of power at 220kV Allahabad (Naini) (PG) & Abdullapur substation needs to be clarified. The said issue is also brought to our notice by REMCL.

4. We have considered the submission of CTUIL and REMCL. The relevant extracts of Annexure-I of the GNA Regulations are as under:

“Annexure-I

GNA for States and other entities

			<i>GNA (MW).....</i>
<i>Railways- NR-ISTS- UP \$</i>	<i>.....</i>	<i>.....</i>	<i>130</i>

Explanations:

.....

\$ ISTS drawal by Railways (treated as a regional entity) at ISTS interface at Auraiya and Dadri, have been considered for GNA.



.....”

As per the above, Railways- NR-ISTS-UP has been granted 130 MW of deemed GNA based on ISTS drawal by Railways at Auraiya and Dadri.

5. The Commission vide Order dated 5.11.2015 in Petition No. 197/MP/2015 observed as follows:

“51. The Indian Railways can be connected with ISTS directly or through state network. The Commission is inclined to consider option "c" as provided in CEA Report with slight modification. The drawl points from ISTS located within a State shall be treated as a single entity for the purpose of scheduling. This arrangement according to CEA and POSOCO may lead to fragmented control area. Therefore, the group of TSSs situated in a State and connected directly with ISTS shall be treated as one „fragmented control area“ and the responsibility for the purpose of scheduling, metering, balancing, applicability of ISTS charges and losses etc, shall vest in the concerned RLDC. In so far as the TSSs of Indian Railways connected to State network are concerned, the responsibility for these functions shall vest in the concerned SLDC.”

As per the above, it was observed that, for Railways, the group of TSSs situated in a State and connected directly with ISTS shall be treated as one "fragmented control area" and the responsibility for the purpose of scheduling, metering, balancing, applicability of ISTS charges and losses etc, shall vest in the concerned RLDC.

6. Considering the submissions of CTUIL and REMCL that Railways is already drawing power at Naini, in addition to Dadri and Auraiya and shall draw power at Abdullapur, and taking into account our Order dated 5.11.2015 in Petition No. 197/MP/2015, we are of the considered view that Railways shall be allowed to utilize its GNA quantum of 130 MW at Dadri, Auraiya, Naini or Abdullapur. Further, in case it needs additional GNA, it may apply for such quantum under the GNA Regulations.

Issue No.2: Treatment of Land BGs in case of failure to furnish Conn-BG1, Conn-BG2 & Conn- BG3, as applicable, subsequent to in-principle grant of Connectivity

7. CTUIL has submitted that in Regulations 8.2 (c), 8.3(a) and 8.3(e), treatment of land BG furnished by the entity under Regulation 5.8(xi)(c) in the event of closure of the connectivity application due to non-submission of applicable Conn- BGs is not mentioned.
8. We have considered the submissions of CTUIL. Regulation 5.8 of the GNA Regulations provides as under:

“5.8. The application for grant of Connectivity shall contain, inter alia, the following details, as applicable, duly supported with relevant affidavit, as stipulated in the Detailed Procedure for Connectivity and GNA issued in accordance with Regulation 39.1:

.....

(vii) In case of Renewable Power Park Developer, the documents shall be submitted in combination of clauses (a) and (b) or combination of clauses (a) and (c) as specified hereunder:

.....

(c) Bank Guarantee of Rs. 10 lakh/ MW in lieu of ownership or lease rights or land use rights of land for 50% of the land required for the capacity for which Connectivity is sought subject to provisions of Regulations 11A and 11B of these regulations.

.....

(xi) In case of Applicants which are REGS (other than Hydro generating station) or ESS (excluding Pumped Storage Plant (PSP)) the following documents shall be submitted:

.....

Or

(c) Bank Guarantee of Rs. 10 lakh/ MW in lieu of ownership or lease rights or land use rights of land for 50% of the land required for the capacity for which Connectivity is sought subject to provisions of Regulations 11A and 11B of these regulations.”

As per the above, an entity may seek connectivity based on the submission of Bank Guarantee of Rs. 10 lakh/ MW in lieu of land which is submitted along with the application for Connectivity.

9. Regulation 8.2(c), Regulation 8.3(a) and Regulation 8.3(e) of the GNA Regulations provide as under:

“8.2. For cases covered under Regulation 7.1 of these regulations, Conn-BG2 and Conn-BG3, shall be furnished as under:

.....

(c) Conn-BG1, Conn-BG2 and Conn-BG3, as applicable, shall be furnished within 1 (one) month of intimation of in-principle grant of Connectivity, failing which the application for Connectivity shall be closed and application fee shall be forfeited.

.....

8.3. For cases covered under Regulation 7.2 of these regulations, the following procedure shall be followed:

(a) The entity that has been intimated in-principle grant of Connectivity, shall submit its consent for execution of ATS and terminal bay(s), as intimated under Regulation 7.2 of these regulations, along with Conn-BG1, within one month of intimation of in-principle grant of Connectivity, failing which the application for Connectivity shall be closed and application fee shall be forfeited.

.....

(e) The entity that has been intimated in-principle grant of Connectivity shall furnish Conn-BG2 within 1 (one) month of intimation by the Nodal Agency under sub-clause (b) of this Regulation, failing which application for Connectivity shall be closed, Conn-BG1 shall be encashed and application fee shall be forfeited.”

As per the above, the applicant is required to submit Conn-BG1, Conn-BG2 and Conn-BG3, as applicable, subsequent to in principle grant of Connectivity. In case of failure in furnishing the applicable Conn-BGs within the stipulated timelines, the application for Connectivity has to be closed.

10. We are of the considered view that in case the application of an entity is closed due to non-submission of Conn-BG1, Conn-BG2 or Conn-BG3, the Bank Guarantee of Rs. 10 lakh/ MW submitted in lieu of land documents, shall be returned within one month from the closing of the Connectivity Application.

Issue No.3: Payment of Transmission Charges for T-GNA under Advance and Exigency application category

11. Grid-India has submitted that implementation of the regulatory provision under sub clause (i) of clause (a) of Regulation 34.4 of the GNA Regulations, requires an entity to furnish transmission charges for T-GNA in advance where due date to make such payment varies according to the commencement date of T-GNA. The existing softwares are configured to take payment within 3 working days



from the date of approval of T-GNA. The payment of T-GNA as per the GNA Regulations requires software changes for which some more time is required. Grid-India has requested that the existing procedure of making payment within 3 working days from the date of approval, be allowed to continue for some period till the necessary changes are made in the software. Similar issue of software has been raised by Grid-India for payment of charges in case of the exigency category.

12. We have considered the submission of the Grid-India. Sub clause (i) of clause (a) of Regulation 34.4 of the GNA Regulations provides as under:

“(a) Transmission charges for T-GNA under Advance application category shall be deposited by the T-GNA grantee with the Nodal Agency as under:

- (i) For T-GNA up to one (1) month - within three (3) working days of grant of T-GNA:*

Provided that where T-GNA is starting within next 3 working days, transmission charges for T-GNA shall be deposited before the start date of T-GNA;

.....

- (b) Transmission charges for T-GNA under Exigency application category shall be deposited along with the application. In case, the Exigency application is approved for part of the applied quantum or part of the applied period or is rejected, the corresponding transmission charges shall be returned by the next day from the date of approval or rejection:*

Provided that the applicant may opt for keeping the excess transmission charges with the Nodal Agency to be adjusted against future T-GNA applications.”

As per the above, the transmission charges for T-GNA under Advance application category need to be deposited within three (3) working days of grant of T-GNA and if the T-GNA is starting within next 3 working days, transmission charges for T-GNA will have to be deposited before the start date of T-GNA.

13. We observe that under the CERC (Open Access in inter-state transmission charges) regulations, 2008, the transmission charges are to be paid within 3 days of approval of application. We observe that the GNA Regulations were

notified in June 2022 leaving ample time for alignment of software accordingly. However, in the interest of smooth implementation of the GNA Regulations and keeping in view the request of Grid-India to carry out software changes, payment of transmission charges under T-GNA advance application category (for T-GNA upto one month), we consider it necessary to allow a special dispensation for a transition period and hold that where T-GNA is starting within the next 3 working days and for the exigency application category, payment shall be made within 3 working days of approval of application as per the existing practice in vogue. Grid-India is advised to carry out software changes within this period (of two months from 1.10.2023) post which the transmission charges shall be paid as per timeline provided in the GNA Regulations.

Issue No. 4: Extension of timeline for application for grant of GNA by STUs under 19.1:

14. CTUIL has submitted that as per Regulation 19.1 of the GNA Regulations, within 3 months of coming into force of the GNA regulations i.e. upto 05.07.23, STUs were required to apply for additional GNA over and above the GNA deemed to have been granted under Regulation 18.1. However, applications for grant of additional GNA were received by CTU even after this date, which have been granted addition GNA for scheduling of such enhanced quantum starting from 01.10.2023. Further, as per Regulation 19.2, STUs can apply once in financial year (starting from the financial year following the financial year in which these regulations have become effective) by the month of September each year. Accordingly, STUs shall apply in Sep'24. In view of the fact that the scheduling process is going to start w.e.f. 01.10.2023 and the states are applying late in this regard it is requested that application for additional GNA may be extended by another six months i.e. upto 31.12.23 under Regulation 19.1 of the GNA Regulations.

15. We have considered submissions of CTUIL. Regulation 19 of the GNA Regulations provides as follows:

“

19. Application for Grant of additional GNA by STU



19.1. *Within 3 months of coming into force of these regulations, STU may, on behalf of intra-State entities including distribution licensees, apply for additional GNA over and above the GNA deemed to have been granted under clauses (a) to (e) of Regulation 18.1 of these regulations (with entity-wise segregation) indicating GNA within the region and from outside the region.*

19.2. *STU, on behalf of intra-State entities including distribution licensees, may apply, once in a financial year (starting from the financial year following the financial year in which these regulations have become effective) by the month of September each year, for additional GNA for the next 3 (three) financial years (with entity-wise segregation) indicating GNA within the region and from outside the region, as stipulated in the 'Detailed Procedure for Connectivity and GNA', issued in accordance with Regulation 39.1:*

Provided that such additional GNA quantum to be added in each of the next three financial years shall be applicable from a specified date of the respective financial year."

As per the above, STU is allowed to apply for additional GNA quantum within 3 months of coming into force of the GNA Regulations and after that only once a year by September. Considering the transition from the 2009 Connectivity Regulations to the GNA Regulations, we find it appropriate to allow STUs to apply for additional GNA for any quantum till 31.3.2024, which shall be considered for grant by CTUIL in terms of the GNA Regulations.

Directions under Power to Remove Difficulty

16. Regulation 42 of the GNA Regulations vests the Commission with the power to remove difficulty under certain circumstances. Regulation 42 of the GNA Regulations is extracted as below:

"42. Power to Remove Difficulty

If any difficulty arises in giving effect to the provisions of these regulations, the Central Commission may, on its own motion or on an application made before it by affected party by order, make such provision not inconsistent with the provisions of the Act or provisions of other regulations specified by the Central Commission, as may appear to be necessary for removing the difficulty in giving effect to the objectives of these regulations."

17. Further, the Commission has been vested with the power to issue Suo Moto orders and practice directions from time to time, as per the exigencies, with regard to the implementation of the GNA Regulations and matters incidental or ancillary thereto, as the case may be, as provided under Regulation 44 of the GNA

Regulations. Regulation 44 of the GNA Regulations is extracted as below:

“44. Issue of Suo Moto Orders and directions

The Central Commission may from time to time issue suo moto orders and practice directions with regards to implementation of these regulations and matters incidental or ancillary thereto, as the case maybe.”

18. Considering the difficulties raised by CTUIL and Grid-India under the GNA Regulations, in the exercise of our powers under Regulation 42 read with Regulation 44 of the GNA Regulations, we hereby issue the clarifications and the practice directions as discussed above on the issues in the foregoing paragraphs.

19. Accordingly, the Petition 15/SM/2023 is disposed of in terms of above.

**Sd/
(P.K. Singh)
Member**

**Sd/
(Arun Goyal)
Member**

**Sd/
(I. S. Jha)
Member**

**Sd/
(Jishnu Barua)
Chairperson**

