

Ref: PTC/CERC/Sept 02, 2024

Date: September 2, 2024

To
The Secretary
Central Electricity Regulatory Commission (CERC)
6th, 7th & 8th Floors, Tower B, World Trade Centre
Nauroji Nagar, New Delhi - 110029

<u>Subject:</u> Comments on Draft CERC (Connectivity and General Network Access to the inter-State Transmission System) (Third Amendment) Regulations, 2024

Dear Sir,

This is with reference to your letter (No. L-1/261/2021/CERC dated. 31st July 2024) regarding seeking comments on "Draft Central Electricity Regulatory Commission (Connectivity and General Network Access to the inter-State Transmission System) (Third Amendment) Regulations, 2024."

You are requested to kindly consider the enclosed annexure (Annexure-A) of our comments for your kind reference and perusal. If deemed appropriate, we are also available for an inperson interaction to clarify any aspect.

Thanking you,

Yours faithfully, For **PTC India Ltd.**

(Anand Kumar)
VP (IR & CS&P)

PTC India

(Annexure-A)

<u>Comments on the Draft Central Electricity Regulatory Commission (CERC)</u>
<u>(Connectivity and General Network Access to the inter-State Transmission System)</u> (Third Amendment) Regulations, 2024

We commend the CERC for its continued efforts to enhance the regulatory framework governing connectivity and general network access (GNA) to the inter-State transmission system (ISTS). The proposed amendments reflect a forward-looking approach, addressing emerging challenges in the power sector and aligning with the evolving needs of market participants.

Please find below some of our observations and suggestions for kind reference and review:

1. Clarity on Complex of ISTS Substations (Clause 2.1, Amendment to Regulation 2.1):

The inclusion of the definition for "Complex of ISTS Substations" is a welcome addition, providing clarity on the treatment of geographically proximate ISTS substations as a single entity for planning purposes. We request that the Central Transmission Utility (CTU) consider issuing detailed guidelines on the criteria used for clustering substations. This would help market participants gain a clearer understanding of the planning process and its impact on their connectivity applications. Additionally, we suggest that the regulation include provisions for the periodic release of the cluster ISTS list to keep market participants informed.

2. Bank Guarantee (BG) Provisions (Clause 3, Amendment to Regulation 3.7):

Clause 3.7.1(a): Currently as per the draft, 50% of the application fee is forfeited if an application is withdrawn before the in-principle grant of connectivity. It is suggested that this forfeiture amount be reduced to a more reasonable level to ease the financial burden on applicants.

2



(Annexure-A)

Clause 3.7.3(a): The draft states that 100% of the application fee is forfeited if an application is withdrawn after the in-principle grant but before the final grant of connectivity. We propose that this forfeiture be reduced to 50% of the application fee.

3. Grant of Connectivity to REGS under BBMB (Clause 5, New Regulation 4.4):

The introduction of specific provisions for Renewable Energy Generating Stations (REGS) connected to the Bhakra Beas Management Board (BBMB) is a positive step toward facilitating the integration of renewable energy into the ISTS. We recommend that a similar framework be considered for other regional entities, ensuring a uniform approach across different jurisdictions.

4. Flexibility in Connectivity Applications (Clause 10, New Regulation 5.10):

The provision allowing applicants to implement their projects on different land parcels without changing the point of connectivity is highly appreciated. This flexibility will enable project developers to adapt to on-ground realities without losing their connectivity approvals. We suggest that the timelines for notifying the Nodal Agency of such changes could be further optimized to enhance efficiency and minimize any potential delays.

Website: www.ptcindia.com