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To
The Secretary
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Subject: Submission of comments and suggestions on the Draft Central Electricity Regulatory Commission (Indian Electricity Grid Code) (Second Amendment) Regulations, 2026

Reference: Public Notice No. L-1/265/2022/CERC dated 21.09.2026, read with Public Notice of even number dated 22.10.2026 extending the last date for submission to 02.11.2026

Sir,

In response to the Public Notice under reference, issued under sub-section (3) of Section 178 of the Electricity Act, 2003 read with the Electricity (Procedure for Previous Publication) Rules, 2005, I respectfully submit my comments and suggestions on the Draft Regulations for the kind consideration of the Commission.

The submission is confined to three subjects of the Draft Regulations:

(i) trial run and scheduling of standalone Energy Storage Systems, under Regulation 22(3)(e) and proposed new Regulation 25A;

(ii) the congestion charge, under proposed new Regulation 30A, with the related definition in Regulation 3 and the repeal and savings provisions in Regulation 59; and

(iii) regulation of access to entities in default of statutory charges or payment security, under proposed new Clause (16) of Regulation 45.

Each comment is referenced to the paragraph of the Draft Notification and to the regulation and clause it amends, and sets out the submission, its basis in the Draft Notification, the Explanatory Memorandum or prior orders of the Commission, and a proposed amendment. A summary precedes the clause-wise comments, and certain drafting corrections are noted at the end.

The submission is made in my individual capacity as a postgraduate student of power management. I respectfully request that it be taken on record, and shall be glad to furnish any clarification the Commission may require.

Yours faithfully,

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Place: Dehradun
Date: 01.11.2026

Enclosure: Clause-wise comments and suggestions (4 pages)

Comments and Suggestions on the Draft Central Electricity Regulatory Commission (Indian Electricity Grid Code) (Second Amendment) Regulations, 2026

Submitted by Shashank Shekhar in response to Public Notice No. L-1/265/2022/CERC dated 21.09.2026

Preliminary

1. In this submission, "Para" refers to a paragraph of the Draft Notification dated 21.09.2026; "EM" refers to the Explanatory Memorandum of the same date; and "Principal Regulations" refers to the CERC (Indian Electricity Grid Code) Regulations, 2023, as amended.

2. The objectives of the Draft Regulations in these three areas are supported. The comments are directed at internal consistency, consistency with the Commission's related regulations and orders, and the predictability of the provisions for the entities they bind.

Summary of comments

No.	Provision (Draft Para)	Issue	Suggestion
A. Standalone Energy Storage Systems: trial run and scheduling			
A1	Reg. 22(3)(e), proviso for ESS above 50 MW and below 250 MW (Para 5(6))	Three balance instalments permitted, against four for solar, although EM paras 6.5 and 6.6 state the intent of parity with solar.	Permit four balance instalments of not less than 5 MW, as in Reg. 22(3)(a).
A2	Reg. 22(3)(e), successful trial run (Paras 5(5) and 5(6))	One cycle "as per the design capabilities" does not define what an instalment must demonstrate in energy (MWh) terms.	Test at rated power for the design or contracted duration, with recorded energy and round-trip efficiency.
A3	New Reg. 25A(3)(a) (Para 7)	Seven-day offer notice consumes part of the 45-day interchange period under Reg. 19(2)(c); the Reg. 21 notice is being reduced to three days.	Three-day notice, which may be issued with the trial-run notice.
A4	New Reg. 25A(3)(b) and (c) (Para 7)	Refers only to "the generating station", though 25A(2) covers ESS; silent on pre-COD charging energy.	Add "or ESS"; provide for scheduling and settlement of charging energy.
B. Congestion charge			
B1	New Reg. 30A(1)(b), wheeling region (Para 11)	Direction-neutral levy is sound, but conflicts with 30A(1)(a) and omits the 20 MW threshold in the NLDC draft procedure.	Insert a 20 MW threshold; such entities not to be treated as relieving congestion.
B2	New Reg. 30A(3), notice (Para 11)	Two clear time blocks is shorter than the schedule-revision lead time under Reg. 49(4)(c) in the same draft.	Notice of four clear time blocks; publication of corridor ATC, TTC and flows.
B3	New Reg. 30A(3), forced outages (Para 11)	Exception proposed in para 12(b) of Order dated 13.03.2026 in Petition No. 1/SM/2026 is not carried into the Regulation.	Proviso excluding on-schedule flows congested by a post-schedule forced outage.
B4	Reg. 30A(2) read with Reg. 59(6) (Paras 11 and 17)	Savings clause continues the Rs 5.45/kWh rate fixed in 2010 on the basis of UI charges.	Finalise the rate under Petition No. 1/SM/2026 on or before commencement.
B5	New Reg. 30A(5) to (7) (Para 11)	No basis for sharing among relieving entities, treatment of residual amounts, or raising discrepancies.	Pro-rata disbursal; residual as directed; seven-day discrepancy window.
C. Regulation of access to defaulting entities			
C1	New Reg. 45(16)(a)(ii) and (iii) (Para 12(3))	Two months and 5% per month, against one month and 10% under Reg. 33 of the RLDC Fees Regulations, 2024; concurrent regimes may overlap.	Record reasons or align; apply concurrent regulation once, at the higher quantum.
C2	Definition 35a(ii) (Para 2) and Reg. 45(16)(a) (Para 12(3))	Payment security trigger is the next bank working day, without notice or publication.	Seven-day cure period; two working days' notice; publication by RLDC.
D	Drafting corrections (Paras 7, 12(3) and 17(1))	Stray "Provided further"; year "2025" in Reg. 59(5); "generating station" in Reg. 25A(3).	As set out in Part D.

A. Trial run and scheduling of standalone Energy Storage Systems

A1. Regulation 22(3)(e): instalments for ESS above 50 MW and below 250 MW (Para 5(6))

Draft provision: The balance capacity of such an ESS is to be tested in "a maximum of three instalments with a minimum capacity of 5 MW".

Submission: EM para 6.5 states that the ESS provisions are proposed in line with those applicable to solar generating stations, and EM para 6.6 describes a structure of a first instalment of 50 MW followed by four instalments. The first proviso to Regulation 22(3)(a) permits solar the balance capacity in a maximum of four instalments. The Draft Notification therefore departs from the stated intent. Since storage capacity is typically energised in modular blocks, a lower limit than that for solar may delay the testing of blocks that are ready.

> **Proposed amendment:** *"Provided further that in the case of a standalone ESS having an installed capacity of more than 50 MW and less than 250 MW, the trial run for the balance capacity shall be performed in a maximum of four instalments with a minimum capacity of 5 MW."*

A2. Regulation 22(3)(e): criteria for a successful trial run (Paras 5(5) and 5(6))

Draft provision: A successful trial run means one cycle of charging and discharging "as per the design capabilities", with the requisite metering, telemetry and protection system in service.

Submission: With trial runs now permitted in instalments, the test may be defined for the capacity under trial. An ESS is contracted for both power (MW) and energy (MWh), and its service to the grid depends on sustaining rated power over the design duration. Regulation 22(3)(b) and (d) require solar and wind output to be recorded and corroborated with site conditions and design parameters; no corresponding requirement applies to ESS. An objective criterion would assist RLDCs in certification and reduce disputes at COD.

> **Proposed amendment:** *"Provided also that a cycle of charging and discharging under this sub-clause shall be performed at the rated power of the capacity under trial run, sustained for the storage duration as per the design or the contract, whichever is higher, and the ESS shall record the energy charged, the energy discharged and the round-trip efficiency and corroborate the same with the design parameters."*

A3. New Regulation 25A(3)(a): notice for offer of infirm power (Para 7)

Draft provision: Where the contract is silent, power is first offered to the contracted buyers "with an advance notice of at least seven (7) days".

Submission: Regulation 19(2)(c) of the Principal Regulations limits injection of infirm power by REGS and ESS to 45 days from FTC approval, and Para 3 caps extensions at a cumulative three months. A seven-day notice after certification uses a material part of this period. Para 4(1) reduces the trial-run notice under Regulation 21(1) from seven days to three, on the reasoning in EM para 4.3 that there is no reason to wait once the unit is ready. The same reasoning applies here, particularly as buyers are already on notice of the trial run.

> **Proposed amendment:** *"(a) such power shall be first offered to the buyers with whom the generating station or ESS has entered into a contract either directly or through REIA or an intermediary procurer, with an advance notice of at least three (3) days, which may be issued along with the notice of trial run under clause (1) of Regulation 21 of these regulations."*

A4. New Regulation 25A(3)(b) and (c): application to ESS and charging energy (Para 7)

Submission: Regulation 25A(2) and (3)(a) refer to the "generating station or ESS", whereas sub-clause (3)(b) refers to a tariff mutually agreed "between buyer(s) and the generating station" and sub-clause (3)(c) frees only "the generating station" to sell to a third party. In addition, an ESS between certification and COD must draw energy for charging, and Regulation 25A addresses only the sale of power.

> **Proposed amendment:** *In sub-clauses (3)(b) and (3)(c), substitute "the generating station or ESS, as the case may be" for "the generating station"; and insert: "(4) The energy drawn by an ESS for charging after issue of the certificate of successful trial run and prior to declaration of COD shall be scheduled on the request of the ESS against its procurement arrangement, and any deviation shall be settled in accordance with the DSM Regulations."*

B. Congestion charge (new Regulation 30A; Regulations 3 and 59)

B1. Regulation 30A(1)(b): simultaneous congestion in a wheeling region (Para 11)

Draft provision: Where a control area is congested on both its incoming and outgoing corridors, "any deviation from schedule by regional entities in that control area/region shall attract congestion charge".

Submission: The provision responds to the event of 19.08.2025 reported by WRPC (EM para 14.3). In a wheeling region, over-drawal aggravates the import corridor and under-drawal aggravates the export corridor, so a direction-neutral levy is justified. Two refinements are submitted. First, Regulation 30A(1)(a) makes the charge "receivable by a Regional entity or entities relieving congestion", so an entity in the wheeling region could be both liable and eligible to receive in the same time block. Second, the NLDC draft procedure of 26.12.2025 (EM para 14.5) applied the levy only to deviations exceeding 20 MW; the omission of this threshold would expose small entities to the charge for minor variations.

> **Proposed amendment:** *"(b) Where a control area or region simultaneously acts as an importing control area with respect to one congested corridor and an exporting control area with respect to another congested corridor, any*

> *deviation from schedule of more than 20 MW in a time block by a regional entity in that control area or region shall attract congestion charge irrespective of its direction, and such regional entity shall not be treated as relieving congestion for that time block."*

B2. Regulation 30A(3): notice before levy (Para 11)

Draft provision: "notice of at least two clear time blocks shall be given by the RLDCs before congestion charge becomes applicable".

Submission: Under the same draft, a revision of schedule under Regulation 49(4)(c) takes effect from the 6th or 7th time block in Phase 1 and from the 5th or 6th in Phase 2 (EM paras 20.15 and 20.16). An entity notified two blocks in advance therefore cannot respond through its schedule and can respond only by physical change in load or generation. The ATC warning under Regulation 30A(3) is also most useful if entities can track the margin; the draft requires notices on the website and the EMS common screen but does not require publication of corridor-wise ATC, TTC and flows.

> **Proposed amendment:** *"Provided that the congestion charge shall be applicable from the time block specified in the notice, which shall be not less than four clear time blocks after the time block in which the notice is issued: Provided further that the NLDC and RLDCs shall publish corridor-wise ATC, TTC and actual flows for each time block on their websites."*

B3. Regulation 30A(3): congestion arising from forced outages after scheduling (Para 11)

Submission: In para 12(b) of its Order dated 13.03.2026 in Petition No. 1/SM/2026, the Commission proposed that no congestion charge shall apply where the corridor flow is as per schedule but congestion results from the forced outage of a line after the drawal schedule is fixed, such cases to be handled through emergency instructions of the load despatch centres. Regulation 30A, which supersedes the 2009 framework, does not include this exception. As the charge is a commercial signal, its levy on entities that are on schedule would not serve a corrective purpose.

> **Proposed amendment:** *"Provided also that no congestion charge shall be levied where the flow on the corridor is as per schedule and the congestion has arisen on account of forced outage of a transmission element after the schedules were finalised; such congestion shall be relieved through instructions of the concerned load despatch centre in the interest of grid security."*

B4. Regulation 30A(2) read with Regulation 59(6): rate of congestion charge (Paras 11 and 17)

Submission: Regulation 30A(2) leaves the rate to be specified by order, and Regulation 59(6) continues the rate under the 2009 Regulations in the interim. That rate, Rs 5.45/kWh for all regions, was fixed by Order dated 17.03.2010 in Petition No. 1/SM/2010 on the basis of the difference between UI charge levels, which have since been replaced by the DSM framework (Order dated 13.03.2026 in Petition No. 1/SM/2026, paras 2 to 4 and 8). In that Order the Commission has proposed a rate of 1.5 times the applicable Reference Charge Rate, Contract Rate or Normal Rate under the CERC (Deviation Settlement Mechanism and Related Matters) Regulations, 2024, subject to a floor of Rs 3/kWh and a ceiling of Rs 10/kWh, applicable to all entities including RE generators (paras 10 and 12(a)).

> **Proposed action:** The rate under Petition No. 1/SM/2026 may be finalised and specified under Regulation 30A(2) on or before the date on which Regulation 30A comes into force, so that Regulation 59(6) is not required to operate.

B5. Regulation 30A(5) to (7): disbursal and discrepancies (Para 11)

Submission: The draft provides for weekly statements, payment into the Pool Account within 10 days with interest at 0.04% per day for delay, and release to receiving entities within two working days. It does not specify how the amount is shared among relieving entities, how any residual amount is treated, or how a discrepancy in a statement may be raised. These affect the rights of entities and may be specified in the Regulation rather than left to the procedure under Regulation 30A(8).

> **Proposed amendment:** *"(7A) The amount received in the Pool Account under clause (6) of this Regulation shall be disbursed among the regional entities relieving congestion in proportion to the relief provided by each in the respective time blocks, and the balance amount, if any, shall be dealt with as directed by the Commission. (7B) Any discrepancy in a statement issued under clause (5) of this Regulation shall be raised with the RPC Secretariat within seven (7) days of its issue, without prejudice to payment under clause (6)."*

C. Regulation of access to defaulting entities (new Regulation 45(16))

C1. Regulation 45(16)(a)(ii) and (iii): consistency with existing frameworks (Para 12(3))

Submission: EM para 16.4 states that provisions similar to those under the CERC (Fees and Charges of Regional Load Despatch Centre and other related matters) Regulations, 2024 are proposed. Regulation 33 of those Regulations extends regulation to short-term contracts under GNA one month after regulation of T-GNA, and reduces other contracts progressively by 10% for each month of default. The draft provides two months and 5%. The procedure under the Electricity (Late Payment Surcharge and Related Matters) Rules, 2022 also applies a 10% monthly reduction. The

difference may be intended, as the amounts involved are typically smaller, but the EM records no reason. An entity may also be regulated concurrently under more than one framework, and the draft does not provide for their interaction.

> **Proposed amendment:** *"(c) Where the scheduling of an entity is regulated concurrently under this clause, the Central Electricity Regulatory Commission (Fees and Charges of Regional Load Despatch Centre and other related matters) Regulations, 2024 or the Electricity (Late Payment Surcharge and Related Matters) Rules, 2022, the regulation shall be applied once, to the higher of the applicable quantum, and not cumulatively."*

C2. Definition 35a(ii) and Regulation 45(16)(a): payment security and notice (Paras 2 and 12(3))

Submission: For non-payment of dues, the default trigger date is 75 days after the issue of the account by the RPC, which already allows time to pay. For payment security, it is "the next bank working day after the payment security mechanism is due to be replenished", and regulation of T-GNA, including already approved T-GNA, follows without notice. A short cure period and a prior notice would avoid curtailment of exchange transactions for an administrative lapse, and publication would give counterparties visibility.

> **Proposed amendment:** *In definition 35a(ii), substitute "the seventh (7th) day after the date on which the payment security mechanism was due to be replenished, if not replenished by that day"; and in Regulation 45(16)(a) insert: "Provided that the concerned RLDC shall issue a notice to the defaulting entity, with a copy to the concerned SLDC, at least two (2) working days before regulation of access, and shall publish on its website the list of entities whose access is regulated."*

D. Drafting corrections

(i) **Regulation 45(16)(a)(i) (Para 12(3)):** the only proviso in the clause begins "Provided further"; it may read "Provided that". (ii) **Regulation 59(5) (Para 17(1)):** the reference to the "(Second Amendment), Regulations, 2025" may be corrected to 2026. (iii) **Regulation 25A(3)(b) and (c) (Para 7):** as in comment A4. (iv) **EM para 1.1** refers to the Grid Code "Regulations, 2020"; the Principal Regulations are of 2023, as correctly stated in the Draft Notification.

The above submissions are respectfully placed before the Commission for its kind consideration.

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References

Central Electricity Regulatory Commission. (2026a). *Draft Central Electricity Regulatory Commission (Indian Electricity Grid Code) (Second Amendment) Regulations, 2026* (No. L-1/265/2022/CERC). https://www.cercind.gov.in/2026/draft_reg/DR_IEGC-2ndAmnd.pdf

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