

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

No. L-1/250/2019/CERC

Dated: 20th October 2023

NOTIFICATION

In exercise of the powers conferred under Section 178 read with Part V of the Electricity Act, 2003 (36 of 2003), and all other powers enabling it in this behalf, and after previous publication, the Central Electricity Regulatory Commission hereby makes the following regulations to amend the Central Electricity Regulatory Commission (Sharing of Inter-State Transmission Charges and Losses) Regulations, 2020 (hereinafter referred to as “the Principal Regulations”) namely:

1. Short Title and Commencement:

- (1) These regulations may be called the Central Electricity Regulatory Commission (Sharing of Inter-State Transmission Charges and Losses) (Second Amendment) Regulations, 2023.
- (2) These regulations shall come into effect from 1.11.2023.

2. Amendment to Regulation 2 of the Principal Regulations:

- (1) A new sub-clause (i-i) shall be added after sub-clause (i) of Clause (1) of Regulation 2 of the Principal Regulations as under:

“(i-i) ‘**Deemed COD**’ means

(a) for the transmission system or an element thereof under the regulated tariff mechanism, COD of the transmission system or an element thereof approved by the Commission in terms of fourth Proviso to Regulation 27(1)(c)(i) of CERC (Indian Electricity Grid Code) Regulations, 2023 or proviso (ii) of Clause (3) of Regulation 4 of the Tariff Regulations, 2014 or Clause (2) of Regulation 5 of the Tariff Regulations, 2019, or

(b) for the transmission system or an element thereof under the Tariff Based Competitive Bidding, deemed COD of the transmission system or an element thereof, declared by the transmission licensee, in terms of fifth Proviso to Regulation 27(1)(c)(i) of CERC (Indian Electricity Grid Code) Regulations, 2023 or declared by the transmission licensee in terms Transmission Service Agreement prior to 1.10.2023

3. Amendment to Regulation 11 of the Principal Regulations:

- (1) The words “after adjustment of such charges as per sub-clause (d) of Clause (2) of Annexure-III to these regulations” in Clause (3) of Regulation 11 of the Principal Regulations, shall be substituted with words “after adjustment of such charges as per sub-clause (d) of Clause (2) of Annexure-III followed by adjustment as per sub-clause (c) of Clause (12) of Regulation 13 of these regulations”.

4. Amendment to Regulation 12 of the Principal Regulations:

- (1) The following words shall be inserted after the words “billing month” in Clause (3) of Regulation 12 of the Principal Regulations:
“after adjustment of such charges as per sub-clauses (c) and (h) of Clause (12) of Regulation 13 of these regulations.”

5. Amendment to Regulation 13 of the Principal Regulations:

- (1) The words “is delayed” in the main provision of Clause (3) of Regulation 13 of the Principal Regulations shall be substituted with the words “has not been achieved”.
- (2) Clause (12) of Regulation 13 of the Principal Regulations shall be substituted as under:

“(12) For the cases other than those covered under Clauses (3), (6) or (9) of Regulation 13 of these regulations, the YTC for the inter-State transmission system or element thereof approved or declared as deemed COD shall be treated as follows:

- (a) The inter-State transmission licensee shall be paid 50% of YTC of

its inter-State transmission system for a period of six (6) months from the date of deemed COD or till the commencement of actual power flow, whichever is earlier.

- (b) The inter-State transmission licensee shall be paid 100% of YTC of its inter-State transmission system from the seventh (7th) month till the commencement of actual power flow, in case actual power flow does not commence within a period of 6 months from the date of deemed COD.
- (c) The charges under sub-clauses (a) and (b) of this Clause shall be disbursed from charges collected in terms of Clause (3) of Regulation 12 of these regulations:

Provided that in case of shortfall in the collection in terms of Clause (3) of Regulation 12 of these regulations, to meet the requirement of payment under sub-clauses (a) and (b) of this Regulation, the balance shall be paid from charges collected under T-GNA and $TGNA_{RE}$ in terms of Clause (3) of Regulation 11 of these regulations:

Provided further that in case of shortfall in charges collected under T-GNA and $TGNA_{RE}$ to meet the requirement of payment under sub-clauses (a) and (b) of this Regulation, the balance shall be paid from Deviation and Ancillary Service Pool Account under DSM Regulations.

- (d) Sub-clause (a), (b) and (c) of this Clause shall not be applicable for transmission elements covered under the Transformer component (as defined under Regulation 7 of these regulations) which shall be billed to respective drawee DIC of the State from the date of deemed COD. In case of non-availability of separate Yearly Transmission Charges of such transmission elements covered under the transformer component, the same shall be worked out by CTU in terms of Regulation 7(1) of these regulations.
- (e) In case an inter-State transmission licensee is responsible for the delay in the commencement of power flow in the inter-State

transmission system of another inter-State transmission licensee which has achieved deemed COD, inter-State transmission licensee of the delayed inter-State transmission system shall pay 50% of YTC of its transmission system **OR** 50% of YTC of the transmission system which has achieved deemed COD, whichever is lower, till its delayed inter-State transmission system achieves COD:

Provided that the liability of the delayed inter-State transmission licensee under this Clause shall not be affected, notwithstanding any provisions to the contrary in the Transmission Service Agreement or any other Agreement in force between the parties:

Provided further that if the delayed inter-State transmission licensee is levied liquidated damages for delay in completion of the transmission system in terms of the Transmission Service Agreement entered into with CTUIL, the amount of liquidated damages paid by such inter-State transmission licensee to CTU shall be offset to the extent of liability of the delayed inter-State transmission licensees in terms of this Clause and the balance amount, if any, shall be credited into Regional Transmission Deviation account under Clause (3) of Regulation 12 of these regulations.

- (f) In case an intra-State transmission licensee is responsible for the delay in commencement of power flow in the inter-State transmission system which has achieved deemed COD, such intra-State transmission licensee of the delayed intra-State transmission system shall pay 50% of YTC of the delayed intra-State transmission system **OR** 50% of YTC of the inter-State transmission system which has achieved deemed COD (excluding transmission elements covered under sub-clause (d) of this Clause), whichever is lower, till the delayed intra-State transmission system achieves COD:

Provided that in case of transmission elements covered under sub-clause (d) of this Clause, charges under this sub-clause shall not

be levied on the intra-State transmission licensee:

Provided further that where YTC of the delayed intra-State transmission system is not available, CTU shall work out the YTC for such intra-State transmission system, for the purpose of this clause, based on the indicative capital cost of similar configuration in the inter-State transmission system.

- (g) The billing and collection of the charges in terms of sub-clauses (e) and (f) of this Clause shall be made in accordance with Clause (3) of Regulation 15 of these regulations.
- (h) The charges collected as per sub-clause (g) of this Clause shall be reimbursed in terms of Clause (3) of Regulation 12 of these regulations.
- (i) In case of inter-State transmission system under Tariff based Competitive Bidding, the first contract year shall commence from the date when such transmission licensee starts receiving 100% of YTC under sub-clause (b) of this Clause or under Regulations 5 to 8 of these regulations.”

Sd/-
(Harpreet Singh Pruthi)
Secretary

Note:

- (1) The Central Electricity Regulatory Commission (Sharing of Inter-State Transmission Charges and Losses) Regulations, 2020 were published on 01.07.2020 in Part III, Section 4 of the Gazette of India (Extraordinary) No 243.
- (2) The Central Electricity Regulatory Commission (Sharing of Inter-State Transmission Charges and Losses) (First Amendment) Regulations, 2023 were published on 01.03.2023 in Part III, Section 4 of the Gazette of India (Extraordinary) No 149.