



Procedure, Terms and Conditions for grant of Transmission Licence and other related matters, Regulations, 2023

The CERC notified “CERC (Procedure, Terms and Conditions for grant of Transmission Licence and other related matters) Regulations, 2023” on 28th November, 2023 applicable for interstate entities for transmission of power. The key highlights of this draft is mentioned below:

Objective: To establish eligibility criteria, procedures, terms and conditions for entities involved in interstate power transmission and to formalize arrangement for regulated tariff mechanism, enabling licence acquisition by winning TBCB bidders, streamline the process for bulk consumers to construct connecting transmission lines.

Bulk Consumer: means a consumer who avails supply at voltage 33kV or above as defined in the Central Electricity Authority (Technical Standards for Connectivity to the Grid) Regulations, 2007. It has a provision to construct connecting transmission line which will connect transmission line to bulk consumer with a load 50MW or above.

Long Term Transmission Customer (LTTC): means a person, who has entered into the Transmission Service Agreement (TSA) for availing or intending to avail access to the Inter-State Transmission System under the provisions of the TSA issued under competitive bidding guidelines.

Designated ISTS Customer (DIC): means the users of any segments/elements of the ISTS and include all generators or load serving entities connected to ISTS including generating stations, distribution licensees, State Electricity Boards (SEB), State Transmission Utility (STU), Bulk Consumers and any other entity/person as defined in Central Electricity Regulatory Commission (Sharing of Inter-State Transmission Charges and Losses) Regulations, 2020.

Procedure for grant of licence:

The process for obtaining a transmission licence the applicant can file the application to commissions. It involves publishing a proposal on the commission’s website and in two digital newspapers for inviting suggestions/objections in public domain and after considering these, the commission may providing an opportunity for a hearing before grant the licence or reject the application. The commission must send a copy of the licence to relevant authorities and parties after making decision.

Obligations of licensee:

In this draft there some obligations for licence such as, the licensee must strictly follow relevant Regulations and some provisions like: the licensee must maintain insurance, adhere to utility practices, project construction must be time-bound and efficient. It is imperative to comply with direction of the National Load Dispatch Centre, and failure may intervention by the commission, provide open access to the transmission system and seek commission approval when required.

The documents can be accessed [here](#)



CER Opinion

1. Timeframe for receiving suggestion/objection from public/stakeholder:

Draft Clause No. 4(7) states, *“In the notice published in the digital newspapers and on the applicant’s website under this Regulation, it shall be indicated that the suggestions and objections to the application, if any, may be filed by any person **within 15 days** of publication of the notice to The Secretary, Central Electricity Regulatory Commission at the address where the office of the Commission is situated and at email id: registry@cercind.gov.in. Any suggestion or objection furnished shall be forwarded to the applicant and the respondents by the registry of the Commission.” (Emphasis added)*

“In the notice published in the digital newspapers and on the applicant’s website under this Regulation, it shall be indicated that the suggestions and objections to the application, if any, may be filed by any person **at least 30 days** of publication of the notice to The Secretary, Central Electricity Regulatory Commission at the address where the office of the Commission is situated and at email id: registry@cercind.gov.in. Any suggestion or objection furnished shall be forwarded to the applicant and the respondents by the registry of the Commission.”

The transmission line petition may include large documentation, which needs scrutiny and analysis to understand and to prepare comments on the same. A fifteen day’s duration for submission of the comments seems inadequate. It is suggested that a **time period of at least 25 days be provided for the same.**

2. Duration for applicant response and option of bundling the responses:

Draft Clause No. 4(10) states, *“The applicant may file its comments, duly supported by an affidavit, on the recommendations made by the Central Transmission Utility and the suggestions and objections, if any, received in response to the public notice published by it, within 3 days of receipt of such suggestions and objections, with an advance copy to the Central Transmission Utility or the person who has filed the suggestions and objections on the proposal made in the application, as the case may be.”*

An applicant may receive multiple responses of similar type or related ones, spread over the time window for submission of comments. An applicant may find synergies/linkages across such multiple comments to ensure that the applicant is able to holistically respond to the comments especially the ones which may have relationship with each other. It is likely that the later comments may have a new perspective, which may lead the applicant to formulate a different response for the earlier comments for which response has been already submitted. Thus, an **option of consolidating the responses of comments may be given to the applicant.**



3. Time period for public notice and issuance of grant of licence by commission:

Draft Clause No. 4(12) states, *“Before granting a licence, the Commission shall publish a notice of its proposal on the Commission’s website and in two daily digital newspapers, having wide circulation, as the Commission may consider appropriate, stating the name and address of the person to whom it proposes to grant the licence, details of the project for which it proposes to grant licence, location or route of the elements of the project, and any other details that the Commission may consider appropriate, to invite further suggestions and objections on its proposal.”*

The draft document does not propose a time limit for public notice and issuance of grant of licence by the Commission. It is suggested that **a defined time line for publishing the public notice and grant of licence may be specifically provided in the document with a proviso for its extension by the Commission on recording reasons thereof.**

4. Modification in Annexures (Form II):

Draft annexure of form II, A (3) states, *“Objections or suggestions, if any, be filed before the Secretary, Central Electricity Regulatory Commission,(Give address of the Office of the Commission),with a copy of the objection(s)/suggestion(s) to the applicant or its authorized agent, within 30 days of the publication of the notice in the newspaper.”*

The timeline proposed in the draft and that mentioned in the Forms given in the annexures do not match. This typo may be corrected while finalizing the regulation.

5. Searchable Webpage for Monitoring Applications:

A publically accessible web link at CERC should host a searchable database and archive for seeking the information related to an application for the license and timelines thereof. Furthermore, any reason for the departure from timeline should also be recorded. This would ensure effective monitoring of the applications.