

**APP Comments on the Draft CERC (Regulation of Power Supply) (First Amendment)
Regulations, 2020**

Regulation 13(2) of the Sharing Regulations, 2020 mandates billing of Transmission Charges under LTA/ MTOA directly on the end Buyers/ Beneficiaries under the PPAs, even if such LTA/ MTOA has been granted to the Generators/ Sellers (i.e. LTA/ MTOA Applicants). Thus, under Sharing Regulations 2020, the end Buyers/ Beneficiaries (and not Generators/ Sellers, who are the original LTA/ MTOA Applicants) are incumbent to ensure timely payments of Transmission Charges. As such, it is to be appreciated that **any Event of Default arising out of Buyers'/ Beneficiaries' failure in making such timely payments and/or maintaining adequate Payment Security Mechanism (Letter of Credit) is beyond any control of the original LTA/ MTOA Applicants.**

Considering the above fact, in case of any Event of Default by such end Buyers/ Beneficiaries, "Notice for Regulation of Power Supply " in terms of Regulation 13(2) of the Sharing Regulations, 2020, should be issued to such end Buyers/ Beneficiaries and NOT to Generators/ Sellers, who are the original LTA/ MTOA Applicants. It is also observed that the CTU, while regulating power supply under LTA/MTOA, also curtails the Short Term Open Access (STOA) of the defaulting entity in terms of Para 59(c) this Hon'ble Commission's Order dated 02.09.2015 in the Petition No. 142/MP/2012. **Any such STOA curtailment due to regulation of power supply should be done for such end Buyers/ Beneficiaries only and there should be no STOA curtailment on the STOA granted to Generators/ Sellers, who are the original LTA/ MTOA Applicants** i.e. such Generators/ Sellers (original LTA/ MTOA Applicant) should be allowed continue to interchange power without any regulation of power/ restrictions/ curtailments.

Accordingly, it is requested that while finalising CERC (Regulation of Power Supply) (First Amendment) Regulations, 2020, the above issue may be adequately addressed and the same may be expressly and unequivocally mentioned in these Regulations to eliminate any ambiguity and unwarranted litigations in the future.