

No.23/12/2016-R&R-Part (1) [239444]

Government of India

Ministry of Power

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Shram Shakti Bhawan, New Delhi,

Dated, the 21<sup>st</sup> June, 2021

**ORDER**

**Subject: Waiver of inter-state transmission charges on transmission of the electricity generated from solar and wind sources of energy- Amendment thereof.**

1.0 This is in continuation to the Ministry of Power Order No. 23/12/2016-R&R dated 15.01.2021 regarding the waiver of inter-state transmission system (ISTS) charges on transmission of the electricity generated from solar and wind sources of energy.

2.0 I am directed to convey the following decisions with respect to the waiver of such Inter-State Transmission system (ISTS) charges:

- a. Extension of the waiver of Inter-State Transmission system (ISTS) charges on transmission of electricity generated from solar and wind sources for projects to be commissioned up to 30<sup>th</sup> June 2025.
- b. Waiver of total Inter- State transmission system (ISTS) charges shall also be allowed for Hydro Pumped Storage Plant (PSP) and Battery Energy Storage System (BESS) projects to be commissioned up 30<sup>th</sup> June 2025, if following conditions are met:
  - i. at least 70 % of the annual electricity requirement for pumping of water in the Hydro Pumped Storage Plant is met by use of electricity generated from solar and/or wind power plants.
  - ii. at least 70 % of the annual electricity requirement for charging of the Battery Energy Storage System is met by use of electricity generated from solar and/or wind power plants.
- c. The Inter- State transmission charges for power generated / supplied from such Hydro PSP and such BESS shall be levied gradually: 25% of the STOA charges for initial 5 years of operation, then charges can be gradually increased in steps of 25 % after every 3rd year to reach to 100 % of STOA charges from 12<sup>th</sup> year onwards. This may be aligned with the gradual reduction in tariff and payment of debt.
- d. Waiver of transmission charges shall be allowed for trading of electricity generated/ supplied from Solar, wind, PSP and BESS in Green Term Ahead Market (GTAM) and Green Day Ahead Market (GDAM) for two years ie till 30th June 2023. This arrangement will be reviewed on annual basis depending upon the future development in the power market.

3.0 It is also clarified that waiver is allowed for inter-state transmission charges only and not losses.

4.0 As per section 2 (36) of the Electricity Act, 2003,

*"inter-State transmission system" means*

*(i) any system for the conveyance of electricity by means of main transmission line from the territory of one State to another State;*

*(ii) the conveyance of electricity across the territory of an intervening State as well as conveyance within the State which is incidental to such inter-State transmission of electricity;*

*(iii) the transmission of electricity within the territory of a State on a system built, owned, operated, maintained or controlled by a Central Transmission Utility;*

Thus, an intra-State transmission system which is used for the conveyance of electricity across the territory of an intervening State as well as conveyance within the State which is incidental to such inter-State transmission of electricity, shall be included for sharing of inter-state transmission charges. Any waiver of inter-state transmission charges that applies to Inter-state transmission systems shall also be applicable to such parts of the Intra-state transmission. The transmission charges of such Intra-state transmission system shall be reimbursed by the CTU as is being done for ISTS system. Concerned Regional Power Committee may through studies identify such lines.

5.0 This order shall be applicable prospectively i.e. from the date of issue of order.

6.0 This issues with the approval of Minister of State (I/C) for Power and NRE.

  
21.06.2021  
(Ghanshyam Prasad)  
Joint Secretary to the Govt. of India  
Tel: 011- 2371 0389

To,  
Secretary, CERC, New Delhi.

**Copy to:**

1. Secretary, MNRE, New Delhi.
2. Chairperson, Central Electricity Authority, New Delhi.
3. Secretary in charge, Power/Energy Department, State Governments/UTs.
4. Secretary, State Electricity Regulatory Commissions / Joint Electricity Regulatory Commissions.

**Copy for information to:**

1. All Joint Secretaries/Chief Engineer, Ministry of Power.
2. PS to MoS(I/C) for Power and NRE.
3. Sr. PPS to Secretary (Power), Sr. PPS to AS (SKGR), Sr. PPS to AS (VKD), PPS to Sr. Advisor, Sr. PPS to JS (R&R) and PS to DS (R&R).