

To,
The Secretary,
Central Electricity Regulatory Commission,
3rd and 4th Floor, Chandelok Building,
36, Janpath, New Delhi-110001

Date: 13 January, 2018

Sir,

Subject: Comments on the Draft Notification (No. L-1/229/2017 - CERC) dated 14 Nov 2017, called the CERC (Grant of Connectivity and General Network Access to the inter-State Transmission system and other related matters) Regulations, 2017.

With reference to the above subject, at the outset, we, Greenko Group, the largest RE developer in the country appreciate the draft regulation by CERC got Grant of Connectivity & GNA to the ISTS system. We have studied the proposed Regulation as suggested by the CERC and have certain Concern/Recommendation regarding the same. Clause-wise comments on the same is being provided below:

Clause No. 7.5 A Renewable Energy Generating Station or Solar Power Park Developer or Wind Power Park Developer or Wind-Solar Power Park Developer shall submit, along with its Stage-I Connectivity application:

- (c) Site identification wherever undertaken: Details about the land required for the project along with extent to which the same have been acquired and taken possession of or leased.
- (d) Environmental clearance: Status on submission of requisite proposal, for the environmental clearance, to the concerned administrative authority (first level submission), as applicable.
- (e) Forest Clearance for the land: Status of proposal for the forest clearance to the concerned administrative authority (first level submission), as applicable.

Concern/Recommendation: The land requirement should not be made mandatory as the site location of the project various other factors and thus can vary. We would therefore request the Hon'ble commission to start the processing of Stage-I connectivity with the tentative land details.

Clause No. 7.9 (D) (ii): Applicant has completed at least 50% Tower Erection of dedicated Transmission Line to connect to ISTS and have installed switchgear and ICT at its pooling station.

Concern/Recommendation: This clause creates confusion in line with clause 7.22 of this draft Regulation stated below.

7.22. CTU shall indicate the firm location while granting Stage-II Connectivity. Applicant shall enter into bay implementation agreement within 30 days of grant of Stage-II Connectivity.

If CTU shall indicate firm location while granting Stage-II connectivity, Tower Erection of 50% shall not be possible as it may not be in direction to the nearby alternative location.

Clause No. 7.13: After scrutiny, nodal agency shall intimate the deficiencies in the application, if any, to the applicant within one week of receipt of application. The applicant shall rectify the deficiency within one week thereafter, failing which the application shall be closed and 20% of the application fees shall be forfeited and balance shall be refunded. If the rectified application is received from the applicant after last day of the month in which application is made, application shall be deemed to have been made in subsequent month and processed accordingly.

Concern/Recommendation: Rectification time for any deficiencies raised by the nodal agency shall be at least 2 weeks.

Clause No. 7.25: On completion of the dedicated transmission line the generator(s) shall be required to hand over the dedicated transmission line to CTU for the purpose of operation and maintenance. CTU shall be entitled to normative operation and maintenance expenses as per CERC Tariff Regulations. The line shall be under the operational control of CTU for all the purposes.

Concern/Recommendation: As per the section 10 of Electricity Act 2003, the duty to operate the dedicated line is lies with the generators. Relevant extract of the Act is reproduced as below;

“Section 10. (Duties of generating companies): Subject to the provisions of this Act, the duties of a generating company shall be to build, operate and maintain generating stations, sub-stations and dedicated transmission lines connected therewith in accordance with the provisions of this Act or the rules or regulations made thereunder.” Therefore, the same cannot be taken out by compulsion. The Commission should define “for all the purposes”.

Since line shall be under the operational control of CTU for all purposes, a minimum period needs to be guaranteed by the CTU so that the generator can have perceptibility on the probable revenue loss on account of non-availability of the line and cost for O&M has to be borne by CTU. CTU has to pay for the deemed generation during the line shut down. Any issue with the line may invite issue with the insurance claim as Owner is not having operational control, and CTU is not the developer of the line.

Clause No. 11.7: The GNA Application shall be accompanied by Access Bank Guarantee of Rs. 20,00,000/- (Rupees Twenty Lakh only) per MW for the quantum of GNA sought. The Access Bank Guarantee shall be in favour of “Central Transmission Utility”, as per FORMAT-GNA-4. The Access Bank Guarantee shall be issued by...(a), (b) & (c)

Concern/Recommendation: Bank Guarantee with substantial amount shall block the fund at the earlier stage and it will be difficult to derive further.

Clause No. 19.3: The Access Bank Guarantee shall be kept subsisting for 5 years from the date of operationalisation of GNA. After operationalisation of GNA, Access BG equivalent to

1/5th of amount shall be returned back to the Applicant till 4th year. The amount equivalent to 1/5th of Access BG shall be kept subsisting till the end of 12th year as security towards relinquishment charges. The Applicant shall submit revised Access BG accordingly.

Concern/Recommendation: Blocking momentous reserve for such longer period will severely affect the viability of generating plant. Rather 1/5th of the Access BG 4/5th should be returned to the Generator/Developer.

Clause No. 24: Relinquishment of GNA

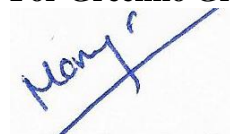
Concern/Recommendation: If the entire/part of PPA capacity is cancelled without any reason attributable to the applicant. Then the charges for relinquishment should be limited to 12 months transmission charges for the capacity for which PPA has been cancelled and BG shall be returned without any encashment.

Direction issued by Hon'ble CERC in para 118 of the order issued dated 29th September 2017 under the petition No. 145/MP/2017.

CTU should provide the capacity available in existing / upcoming substation with upcoming capacities on the same and placed it on their website for enabling eventual bidder / generators to take well-versed decisions.

Sir, we humbly request you to kindly consider our comments and suitably incorporate in the Regulation for the ease and benefit of the all stake holders.

**Thanking You
Yours Truly
For Greenko Group**



Authorised Signatory