

Ref: AGEL/CERC/CTU/20180814

Date: 14th August 2018

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

Sub.: AGEL's Comments on the Central Electricity Regulatory Commission (Grant of Connectivity, Long-term Access and Medium-term Open Access in inter-State Transmission and related matters) (Seventh Amendment) Regulations, 2018:

Ref.: Hon'ble CERC Notification (Draft) vide Ref. No. L-1/(3)/2009-CERC on 09.08.2018

Dear Sir,

This has reference to the subject matter on which the Hon'ble Commission invited comments from stakeholders on amendment of Regulation as per subject matter.

At the outset Adani Green Energy Limited (AGEL), appreciate Hon'ble Commission's efforts in promotion of renewable energy and looks forward to support in achieving ambitious targets set by the Central Government.

AGEL as a stakeholder submitting its suggestions and comments (**enclosed and marked as Annexure-A**) on the proposed draft amendment of Regulation.

AGEL request the Hon'ble Commission to consider the same while finalizing the Regulation.

Thanking you,
Yours faithfully,
For Adani Green Energy Limited


Rakesh Shah
Associate Vice President



Annexure-A: AGEL's Comments on the Central Electricity Regulatory Commission (Grant of Connectivity, Long-term Access and Medium-term Open Access in inter-State Transmission and related matters) (7th Amendment) Regulations, 2018:

Sr. No.	Regulation	Existing Regulations	Proposed Amendment	Comments
1	2(1)(b)(i)(cc)		(cc) Renewable Energy generating station individually <u>having less than 50 MW installed capacity</u> , but collectively having an aggregate installed capacity of 50 MW and above, and acting on behalf of all these generating stations, and seeking connection from CTU at a single connection point at the pooling sub-station under CTU, termed as the lead generator, or	<p>For efficient utilization of infrastructure, sharing of connectivity and Dedicated Transmission Infrastructure has been proposed to be allowed in the Connectivity Procedure. Considering the same, we suggest following changes in the existing clause as under:</p> <p><i>Suggested Amendment</i></p> <p><i>"(cc) Renewable Energy generating station individually <u>having any installed capacity</u>, but collectively having an aggregate installed capacity of 50 MW and above, and acting on behalf of all these generating stations, and seeking connection from CTU at a single connection point at the pooling sub-station under CTU, termed as the lead generator, or"</i></p> <p>This shall allow even projects with collective capacity lower than the Bay/Dedicated Transmission Line capacity, irrespective of their individual capacity (whether lower than 50 MW or higher than 50 MW), one of them can apply as lead generator and connectivity can be granted to them for efficient utilization of Transmission Infrastructure.</p>
2	8(1)	Provided that where after filing of an application, there has been any material change in the location	Provided that where after filing of an application, there has been any material change in the location of the applicant or change in the quantum of	In any wind farm there is a lot of space between turbines. Some of that space is to minimize turbulence, but some is to follow ridge lines or avoid other obstacles. Much of this area is used for other purposes, such as

		<p>of the applicant or change in the quantum of power to be interchanged with the inter-state transmission system, by</p> <p>more than 100 MW in the case of applicant defined under Regulation 2(1)(b)(i)(a) and</p> <p>40% of the installed capacity, in the case of applicant defined under sub Regulation 2(1)(b)(i)(b) and</p> <p>40% of the aggregate installed capacity, in the case of applicant defined under Regulation 2(1)(b)(i)(c),</p> <p>such an applicant shall make a fresh application, which shall be considered in accordance with these regulations."</p>	<p>power to be interchanged with the inter-state transmission system, by more than 100 MW in the case of applicant defined under sub-clauses (b)(i)(a) of Clause (1) of Regulation 2,</p> <p><u>100MW or 40%</u> of the installed capacity, whichever is less, in the case of applicant defined under sub clauses (b)(i)(aa), (b)(i)(b), and (b)(i)(h) of Clause (1) of Regulation 2 and <u>100MW or 40%</u> of the aggregate installed capacity, whichever is less, in the case of applicant defined under sub-clauses (b)(i)(c) and (b)(i)(cc) of Clause (1) of Regulation 2,</p> <p>Such an applicant shall make a fresh application, which shall be considered in accordance with these regulations."</p>	<p>agricultural farms. The NREL researchers also surveyed this total land use. They found a rough average of 4 megawatts per square kilometer. So a 2-megawatt wind turbine would require a total area of about half a square kilometer. Means a 300 MW wind farm would require around 75 square kilometer.</p> <p>One of the world's largest wind farms, the Horse Hollow Wind Energy Center in Texas, has about 420 wind turbines spread over about 190 square kilometers. The project has a combined electricity generating capacity of about 735 MW.</p> <p>While applying for wind project connectivity, Applicant has to mention a Project Location i.e. name of village and coordinates of project location. Since a large wind farm spread over a larger area and depending upon land allocated by the state revenue authorities, such wind farm may be require to be established in different cluster. Therefore, the same should not be considered as a material change in the location of the applicant. As long as the same wind farm is located in the same district of the State and going to be connected at the same PGCIL/ Transmission Licensee's sub-station where connectivity is granted, the Nodal Agency should be considered it as material change. As proposed in the draft GNA Regulations, in Clause No. 7.14 read as under:</p> <p><i>"where after filing of an application or after grant of Connectivity, there has been any material change in the location of the applicant or change in the quantum of power to be interchanged with the inter-state</i></p>
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				<p><i>transmission system, the applicant shall inform the same to the nodal agency. <u>If the nodal agency after assessment comes to the conclusion that this change would require modification in planned ISTS, the nodal agency shall inform the Applicant within a period of one month to file a fresh application accompanied by Application fees and relevant documents.</u> The fresh application shall be considered by the nodal agency in accordance with the Regulations and the earlier application shall be closed. If no modification in the planned ISTS is required, the nodal agency shall issue revised grant incorporating the change in Connectivity."</i></p> <p>We request you to incorporate the above draft Regulation at least for so called change in location of wind farm, which would not require modification in planned ISTS, the same should not be considered as material change.</p>
3	New Clause		<p>Provided that an applicant connected with the grid or granted connectivity for a specific project can, with prior approval of CTU, utilize the same Connectivity for additional generation capacity (for same or hybrid of renewable sources), subject to the condition that net injection at any point of time does not exceed the quantum of total Connectivity granted for the existing project. For such additional generation capacity, existing generating station</p>	<p>We are in agreement with proposed amendment</p>

			shall undertake all operational and commercial responsibilities for the additional capacity in following the provisions of the Indian Electricity Grid Code and all other regulations of the Commission, such as grid security, scheduling and dispatch, collection and payment/adjustment of Transmission charges, UI charges, congestion and other charges etc., and submit an undertaking in this regard to the CTU, with copy to the respective RLDC in whose control area it is located.	
4	New Clause		<p><u>8A. Transfer of Connectivity and LTA</u></p> <p>A person shall not transfer, assign or pledge its connectivity or LTA and the associated rights and obligations to any other person.</p> <p>Provided that the above provision shall not be applicable to applicants defined under Regulation 2(1)(b)(i)(g).</p> <p>Provided further that 100% subsidiary companies shall be allowed to utilize the connectivity granted to the parent company and vice versa.</p>	<p>WE suggest to further clarify as under:</p> <p>"Provided further that 100% subsidiary companies shall be allowed to utilize connectivity or LTA granted to the parent company and vice versa.</p> <p>Provided further that if LTA has not yet taken by the parent company and 100% subsidiary companies utilizing parent's connectivity, the parent company shall apply for LTA on behalf of its 100% subsidiary companies and vice versa"</p>



Ref: AGEL/CERC/CTU/20180830

Date: 30th August 2018

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

Sub.: AGEL's Additional Comments on the Hon'ble Central Electricity Regulatory Commission (Grant of Connectivity, Long-term Access and Medium-term Open Access in inter-State Transmission and related matters) (Seventh Amendment) Regulations, 2018:

Ref.: 1. Hon'ble CERC Notification on 09.08.2018
2. AGEL Comment submitted on 14.08.2018

Dear Sir,

This has reference to the subject matter on which the Hon'ble Commission invited comments from stakeholders on amendment of Regulation as per subject matter.

At the outset Adani Green Energy Limited (AGEL), appreciate Hon'ble Commission's efforts in promotion of renewable energy and looks forward to support in achieving ambitious targets set by the Central Government.

AGEL as a stakeholder, submitting its Additional Suggestions and Comments (**enclosed and marked as Annexure-A**) on the proposed draft amendment of Regulation.

AGEL request the Hon'ble Commission to consider the same while finalizing the Regulation.

We look forward for favorable consideration of above submissions.

Thanking you.

Yours faithfully,

For Adani Green Energy Limited


Rakesh Shah
Associate Vice President

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Annexure-A: AGEL's Additional Comments on the Hon'ble CERC (Grant of Connectivity, Long-term Access and Medium-term Open Access in inter-State Transmission and related matters) (Seventh Amendment) Regulations, 2018"

Sr. No.	Regulation	Existing Regulations	Proposed Amendment	Comments
1	2(A)		Applications for grant of Connectivity made by applicants covered under sub-clauses (aa), (cc), (e), (f), (g) and (h) of Clause (1)(b)(i) of Regulation 2 shall be processed in two stages: (a) Stage-I Connectivity (b) Stage-II Connectivity	Adani Group, through Adani Renewable Energy Park Limited and Rajasthan Renewable Energy Corporation (RREC), Government of Rajasthan, formed a Joint Venture Company, Adani Renewable Energy Park Rajasthan Limited (AREPRL) for development of Solar Power Parks in the State of Rajasthan. AREPRL, being a Solar Power Park Developer and grantee of Stage-I Connectivity for 500 MW Solar Power Park.
2 3	2(B)		Grant of Stage-I and Stage-II Connectivity shall be as per the Detailed Procedure issued from time to time. Provided that the Detailed Procedure for grant of Connectivity to Projects based on Renewable Sources to inter-State transmission system issued vide order dated 15.5.2018 in File No. L-1/(3)/2009-CERC shall be deemed to have been issued under these Regulations.	For Stage-II connectivity, AREPRL being a Solar Power Park Developer is not covered under the Clause 9.2.1 of the Detailed Procedure. As far as Clause 9.2.2 is concerned, even though, AREPRL, having lease rights/land use rights for 50% of the total land required for the 500 MW Solar Power Park and released 10% funds towards Solar Power Park infrastructure project execution supported by Auditor's certificate regarding release of such funds through equity, is not eligible for Stage-II connectivity. As the said clause as well as CTU specifically insisting for release of at least 10% funds towards generation project execution, which AREPRL being a Solar Power Park developer cannot fulfil the said condition. Considering the same, AREPRL request the Hon'ble Commission for make suitable amendment by exempting solar power park developers from Stage-1 and Stage-II procedure in Proposed Regulations or may amend the Detailed Procedure to make a Solar Power Park Developer eligible for applying Stage-II connectivity:

Annexure-A: AGEL's Additional Comments on the Hon'ble CERC (Grant of Connectivity, Long-term Access and Medium-term Open Access in inter-State Transmission and related matters) (Seventh Amendment) Regulations, 2018"

				<p>Proposed amendment in 9.2.2 (ii) of Detailed Procedure as under:</p> <p>"(ii) Achievement of financial closure, (with copy of sanction letter) or Release of at least 10% funds towards generation/Solar Power Park project execution supported by Auditors certificate regarding release of such funds through equity."</p>
4	27(2)(D)	<p>Detailed Procedure:</p> <p>(d) Aspects such as payment security mechanism and bank guarantee during the period of construction and operation:</p> <p>Provided that the bank guarantee during construction phase shall not exceed Rs. 5 lakh per MW of the total power to be transmitted by that applicant through inter-State Transmission system.</p>		<p>AGEL Submits that Since the Project Developers are developing wind projects, decided to exercise option to implement the bays associated with their dedicated lines at the ISTS sub-station by themselves and approached PGCIL for consultancy service. While signing of the Bay Implementation Agreement, PGCIL put a condition of furnishing additional Bank Guarantees of amount equivalent to Bay cost which is being borne by the Developers. Such additional BGs are over and above Construction BGs</p> <p>In this regards, AGEL submits that such duplicate or unnecessary BGs, are just making ultimate power costly and reduce the return of the project developers.</p> <p>Therefore, AGEL requests the Hon'ble Commission to intervene in the matter and to remove such unnecessary required BGs being levied by PGCIL, when Connection BG, as per the Detailed procedure, is already being paid by the Developers.</p>



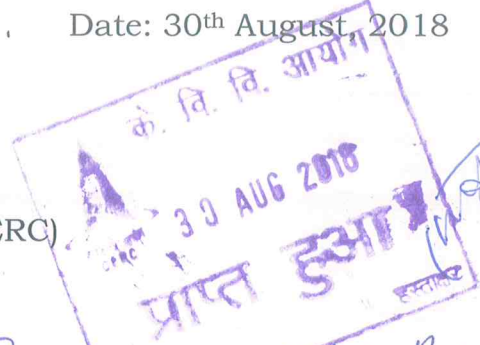
Adani Renewable Energy Park Rajasthan Limited

(A Joint Venture Company of Govt. of Rajasthan and Adani Renewable Energy Park Limited)

Ref.: AREPRL/Solar Park/CERC/20180830 , Date: 30th August, 2018

To,

The Secretary,
Central Electricity Regulatory Commission (CERC)
3rd Floor, Chanderlok Building
36, Janpath, New Delhi 110 001



Subject: *Stage-II Connectivity of AREPRL Solar Park - Regarding.*

Dear Sir,

Adani Group, through Adani Renewable Energy Park Limited and Rajasthan Renewable Energy Corporation (RREC), Government of Rajasthan, formed a Joint Venture Company, Adani Renewable Energy Park Rajasthan Limited (AREPRL) for development of Solar Power Parks in the State of Rajasthan.

Subsequently, on 01.02.2016, the Ministry of New and Renewable (MNRE) had given in-principal approval and authorised AREPRL for developing 1500 MW Solar Park at Fatehgarh in the State of Rajasthan. Thereafter, AREPRL submitted ISTS connectivity application to CTU, on 27.02.2016, initially for 1000 MW (out of 1500 MW) solar power Park. CTU granted connectivity approval on 09.08.2016. Development of the said Solar Power Park is under process. Subsequently, AREPRL, on 13.04.2018, submitted another connectivity application to CTU, for remaining 500 MW Solar Power Park. Hon'ble Commission on 15.05.2018 issued a Detailed Procedure for "Grant of connectivity to projects based on renewable sources to inter-state transmission system". As per the said Detailed Procedure, CTU, on 13.07.2018, granted Stage-I connectivity approval to AREPRL's 500 MW Solar Park.

Now AREPRL, being a solar Power Park Developer and grantee of Stage-I Connectivity for 500 MW Solar Power Park, since not covered under the Clause 9.2.1 of the Detailed Procedure, wants to apply for Stage-II Connectivity under the Clause 9.2.2. The Clause 9.2 of the Detailed Procedure read as under:

"9.2 Eligibility for Stage-II Connectivity

Any of the following shall be eligible for grant of Stage-II Connectivity:

9.2.1 An entity which has been selected through the tariff based competitive bidding carried out by the agency designated by the Central Government or the State Government for development of renewable



Adani Renewable Energy Park Rajasthan Limited

(A Joint Venture Company of Govt, of Rajasthan and Adani Renewable Energy Park Limited)

generation projects including hybrid projects and is either a grantee of Stage-I connectivity or has applied for Stage-I and Stage-II Connectivity simultaneously. Such entity shall be required to submit letter of award issued by designated agency for development of the renewable generation project including hybrid projects.

9.2.2 An entity who is a grantee of Stage-I Connectivity or who has applied for grant of Stage-I and Stage-II Connectivity simultaneously, and is not covered under Clause 9.2.1 above and having achieved the following milestones:

(i) Ownership or lease rights or land use rights for 50% of the land required for the capacity of Stage-II connectivity; and

(ii) Achievement of financial closure, (with copy of sanction letter) or Release of at least 10% funds towards generation project execution supported by Auditor's certificate regarding release of such funds through equity.

.....”

As per the Clause 9.2.2 (ii), even though, AREPRL, having lease rights/land use rights for 50% of the total land required for the 500 MW Solar Power Park and released 10% funds towards Solar Power Park project execution supported by Auditor's certificate regarding release of such funds through equity, is not eligible for Stage-II connectivity. Said clause as well as CTU specifically insisting for release of at least 10% funds towards generation project execution, which AREPRL being a Solar Power Park developer cannot fulfill the said condition.

Considering the same, AREPRL request the Hon'ble Commission for issuing clarification to CTU or make suitable amendment in the Sub-Clause (ii) of the Clause 9.2.2 of the Detailed Procedure, as under, to make AREPRL eligible for applying Stage -II connectivity:

Proposed amendment:

“(ii) Achievement of financial closure, (with copy of sanction letter) or Release of at least 10% funds towards generation/ Solar Power Park project execution supported by Auditors certificate regarding release of such funds through equity.”



Adani Renewable Energy Park Rajasthan Limited

(A Joint Venture Company of Govt, of Rajasthan and Adani Renewable Energy Park Limited)

AREPRL, earnestly request the Hon'ble Commission to issue clarification or amendment in Detailed Procedure at the earliest.

Thanking you,
Yours faithfully,

For Adani Renewable Energy Park Rajasthan Ltd.


Authorized Signatory



NATIONAL SOLAR ENERGY FEDERATION OF INDIA

Regd. No. 362 / IV of 8 May, 2013

Ref. NSEFI/CERC/20180830/1

Date: 30.08.2018

To
The Secretary,
Central Electricity Regulatory Commission (CERC)
3rd Floor, Chanderlok Building
36, Janpath, New Delhi 110 001

Sub.: Requirement of Unwanted Bank Guarantees (BG) by PGCIL while signing Bay Implementation Agreement in addition to Connection BG as per Detailed Procedure.

Dear Sir,

National Solar Energy Federation of India (NSEFI) is a non-profit organization with the objective of solar power development. It is an umbrella organization representing solar energy companies active along the whole photovoltaic value chain: project developers, manufacturers, engineering companies, financing institutions and other stakeholders. NSEFI is founded in 2013 by solar energy industry leaders with the vision to promote solar energy, NSEFI is a public trust based in New Delhi.

Our Members are executing solar power projects as well as wind power projects across the country, under the State and Central Schemes across India. NSEFI would like to bring to your notice the onerous BG requirements by PGCIL and its significant unwarranted impact on the overall project cost and return of the projects.

Currently, as per the Clause 10.9 of the Detailed Procedure for "Grant of connectivity to projects based on renewable sources to inter-state transmission system", the Stage-II Connectivity Grantee are submitting following Connectivity Bank Guarantee (Conn-BG). :

Connectivity Quantum sought

Up to 80 MW (only in case of connectivity in NER)
Upto 300 MW
For every incremental 300 MW

Conn-BG

Rs. One Crore
Rs. five Crore
Rs. five Crore

As per Clause 5.3.1 of the Detailed Procedure, the terminal bays at the ISTS sub-station shall be under the scope of transmission licensee owning the ISTS sub-station and as per Clause 5.3.2 those Wind power developers who have emerged successful in the bidding conducted by Central/State Government designated agency, before coming into force of this Procedure, shall have the option to implement the bays associated with their dedicated lines at the ISTS sub-station by themselves or through the transmission licensee owning the sub-station.



NATIONAL SOLAR ENERGY FEDERATION OF INDIA

Regd. No. 362 / IV of 8 May, 2013

Accordingly, our members of the Federation developing wind projects decided to exercise option to implement the bays associated with their dedicated lines at the ISTS sub-station by themselves and approached PGCIL for consultancy service. While signing of the Bay Implementation Agreement, PGCIL put a condition of furnishing a Bank Guarantee of amount equivalent to Bay cost which is being borne by the Developers.

NSEFI submits that such duplicate or unnecessary BGs, are just making ultimate power costly and reduce the return of the project developers. Therefore, NSEFI requests the Hon'ble Commission to intervene in the matter and to remove such unnecessary required BGs being levied by PGCIL, when Connection BG, as per the Detailed procedure, is already being paid by the developers.

We look forward for favorable consideration of above submissions.

Thanking You

Yours Faithfully,

For National Solar Energy Federation of India

Authorised Signatory



Copy to:

The Secretary, Ministry of New and Renewable Energy – New Delhi

Encl.: As above

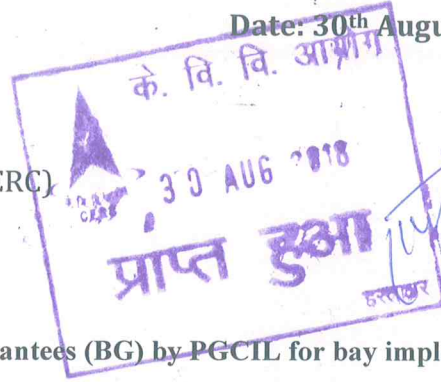


NATIONAL SOLAR ENERGY FEDERATION OF

Regd. No. 362 / IV of 8 May, 2013

Date: 30th August, 2018

To
The Secretary,
Central Electricity Regulatory Commission (CERC),
3rd Floor, Chanderlok Building
36, Janpath, New Delhi 110 001



Subject: Requirement of unnecessary Bank Guarantees (BG) by PGCIL for bay implementation-regarding.

Dear Sir,

National Solar Energy Federation of India (NSEFI) is a non-profit organization with the objective of solar power development. It is an umbrella organization representing solar energy companies active along the whole photovoltaic value chain: project developers, manufacturers, engineering companies, financing institutions and other stakeholders. NSEFI is founded in 2013 by solar energy industry leaders with the vision to promote solar energy, NSEFI is a public trust based in New Delhi.

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Accordingly, our members of the Federation developing wind projects decided to exercise option to implement the bays associated with their dedicated lines at the ISTS sub-station by themselves and approached PGCIL for consultancy service. While signing of the Bay Implementation Agreement, PGCIL put a condition of furnishing a Bank Guarantee of amount equivalent to Bay cost which is being borne by the Developers.

NSEFI submits that such duplicate or unnecessary BGs, are just making ultimate power costly and reduce the return of the project developers. Therefore, NSEFI requests the Hon'ble Commission to intervene in the matter and to remove such unnecessary required BGs being levied by PGCIL, when Connection BG, as per the detailed procedure, is already being paid by the developers.

Thanking You
Yours Faithfully,

For National Solar Energy Federation of India


(Authorised Signatory)

Copy to:

The Secretary, Ministry of New and Renewable Energy – New Delhi