

GE Recommendations on: -

CERC DRAFT DETAILED PROCEDURE FOR “GRANT OF CONNECTIVITY TO PROJECTS BASED ON RENEWABLE SOURCES TO INTER-STATE TRANSMISSION SYSTEM”

August 2020

S. No.	Para No.	Existing Clause	GE Recommendation	Rationale/Remarks
1	5.2	“The utilization and transfer of Connectivity shall be governed in accordance with Clause 8A of the Connectivity Regulations.”	We request for the insertion of the following after first proviso; Provided that the concerned parent company will be allowed to utilize the connectivity and LTA by 100% acquisition of an entity granted connectivity /LTA.	This will pave the way and remove apprehensions amongst companies acquiring an existing company which have been granted Connectivity/LTA and in turn can utilise the Connectivity /LTA. This clarity will also enable optimal utilisation of the granted Connectivity /LTA in context of put to use.
2	5.3	“Provided that the applicant may itself construct the associated bay(s), subject to approval of the CTU and agreement with the transmission licensee owning the ISTS sub-station.”	We request for the insertion of the following after first proviso; A. Applicant can construct bay on its own as per the approved configuration/scheme OR through the owner of the ISTS substation, by entering into an agreement with the CTU/transmission licensee as applicable. If applicant chooses for construction of bay through transmission licensee, then the same will be done within 6-9 months’ time frame from date of submission of conn BG2. B. In all under construction/new planned ISTS substations, transmission licensee will construct the bays and allocate ready bays to stage-II grantee (first come first basis) without any extra cost /charges, aligned with the start date of Stage-II connectivity.	This will bring-in more clarity.
3	7.3	“Provided further that if capacity at the location where Stage-I Connectivity is granted becomes unavailable at a later stage, an alternate location shall be allocated at the time of	We request clarification regarding: - A. In case there is no existing CTU substation in 100 km range- will the CTU create a new substation for one applicant OR establish a dedicated transmission line (as per proviso	Such change in location would bring-in uncertainty to grid access, on the basis of which pre-developmental activity like Wind Resource Assessment /Land Identification / Investing for conduct of various studies would typically be

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		grant of Stage-II Connectivity.”	<p>of Connectivity Regulations). The mechanism of addressing transmission line losses from power system stabilisers (PSS) to grid sub stations (GSS) needs clarity</p> <p>B. If capacity at the substation with which Stage-I Connectivity has been granted become unavailable later.</p> <p>C. Is this proposed proviso bringing-in a priority to Stage-II applicant.</p> <p>D. If Stage I connectivity at substation becomes unavailable, then will the grantee be given an opportunity and adequate time to come up with a detailed plan to retain the connectivity with the same substation.</p>	carried out. Therefore, any uncertainty on grid connectivity will lead to sunk time and cost.
4	7.7	Table1: Capacity of the Dedicated Transmission line	<p>Following column may be added after the 3rd column of the table: -</p> <p>Maximum Capacity of the Dedicated Transmission Line (per circuit)</p> <p>132kV- 130 MW (with use of advance conductor, AL-59 Panther- 37/3.37 mm²)</p> <p>220kV/230kV- 400 MW (with use of advance conductor AL 59 Moose -61/3.50mm²)</p> <p>400kV- 1100 MW (with use of advance conductor AL 59 Moose -61/3.50mm²)</p>	This will enable applicant to conceive the power evacuation and power infrastructure for the project well in advance and the sizing of the project can be designed accordingly. Currently, under SECI bids, there is no capping on maximum size of the bid capacity which means one may expect +300 MW bid capacity by an individual bidder.
5	9.2.1(b)	“An entity implementing the Renewable Hybrid Generating Station(s)including Round the Clock Hybrid Project, shall be eligible to apply for separate Stage-II Connectivity for each location based on the same LOA or PPA, for the capacity of the project not	<p>We request clarification in a case where for instance a bidder is awarded LOA for 500 MW under Round the Clock (RTC) hybrid scheme with projects at multiple locations - 500 MW (Solar) split as 300 & 200 MW at two different substations within State “A” and 700 MW (Wind) in State “B”</p> <p>A. Will bidder be eligible for stage-II connectivity for each location of project</p>	To give flexibility to establish multiple projects with multi inter-connection points, factoring the land acquisition a major challenge for large scale project capacity.

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		exceeding the quantum of power for which LOA has been awarded or PPA has been signed. For this purpose, the locations and capacity at each such location, duly certified by the Renewable Energy Implementing Agency or the distribution licensee, as the case may be, shall be submitted along with the Connectivity applications.”	(300 / 200 MW & 700 MW [capped to 500 MW]) and require submitting stage-II BG for each station connectivity.	
6	9.2.2(i)	“Ownership or lease rights or land use rights for 50% of the land required for the capacity of Stage-II connectivity; and”	<p>We request clarification regarding: -</p> <p>A. Clarity on the meaning of land use right, an explanation on this and the documentation to establish this may be clarified.</p> <p>B. Will registered ATS for a shorter tenure 1-2 years suffice and establish the pre-requisite for the Stage-II connectivity under proviso of Para 9.2.2</p> <p>C. Clarity on the minimum tenure of the land document which is mandatory</p>	This will bring-in clarity and enable applicant to be compliant with the required land documents
7	9.2.2(ii)	“Financial closure, of the project (with copy of sanction letter)”	<p>This clause may be read as outlined below: -</p> <p>“Financial closure towards 100% of the project cost including submission of details of all</p>	This will mandate applicants to tie-up with the OEMs for equipment supply and will ensure viability of bids backed by supply. It will also enable the OEM to have an effective supply

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			<p>planned/proposed equipment to be deployed along with necessary purchase order/agreements for the project (with copy of sanction letter)”</p> <p>Alternatively define financial closure.</p>	<p>chain planning to align with the project SCOD and will eliminate inventory pile up with OEM.</p> <p>This mandate will also prevent non serious applicants from securing grid access thereby enabling the objective of the procedure for optimal utilisation of transmission infrastructure.</p>
8	9.3	<p>9.3.1 After grant of Stage II connectivity, the grantee covered under Clause 9.2.1 shall have to achieve the following milestones in accordance with bidding documents the Letter of Award or the Power Purchase Agreement and submit the proof to CTU within a week of achieving the milestone (s):</p>	<p>This clause may be read as outlined below: -</p> <p>After grant of Stage II connectivity, the grantee covered under Clause 9.2.1 shall have to achieve the following milestones in accordance with bidding documents the Letter of Award or the Power Purchase Agreement and submit the proof to CTU within a week of achieving the milestone (s) on/before original /extended SCOD as applicable.</p>	<p>In order to keep the flow and submission of documents with respect to commissioning milestones aligned and in sync with the commissioning instead of linking with the achievement of individual milestones.</p>
9	10.10(a)	<p>A. “Conn-BG1 and Conn-BG2 shall be furnished by the applicants as detailed below:”</p> <p>B. “Provided that Conn-BG 2 shall not be payable if the grantee constructs the bay by itself or is granted a bay which is already allocated to other applicant(s);”</p>	<p>We request clarification regarding: -</p> <ul style="list-style-type: none"> A. Will applicant have an option to request for number of bays required? B. If not then how and under what scenario the additional bay will be given to an applicant if its under case of enhancement as per proviso of Para 13 (i), maybe this can be exemplified by an example. C. In case the Grantee chooses to construct the associated bay by itself then will there be any other security /BG/charges (other than Conn BG2) required to be furnished by Grantee. 	<p>This will bring-in clarity on the matter.</p>

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10	11.2 (A)(b)	“six months after the scheduled date of commercial operation as intimated at time of making application for grant of Stage-II Connectivity, for cases covered under Clause 9.2.2.”	We request clarification regarding: - A. Why Stage-II Connectivity grantees shall be required to complete the dedicated transmission line(s) and pooling sub-station(s) six months after the SCOD. B. Once SCOD has been achieved the Stage-II Connectivity, grantee is taken out of the ambit of Monitoring of progress of renewable projects and therefore this clause may not be applicable.	To bring-in clarity
11	11.4	“On a specific request of Connectivity grantee(s) and for the purpose of optimal utilisation of transmission infrastructure, CTU may, after consultation with the Connectivity grantee(s) concerned, carry out rearrangement or shifting of the Connectivity across different bay(s) of the same substation”	This clause may be read as outlined below: - On a specific request of Connectivity grantee(s) and for the purpose of optimal utilisation of transmission infrastructure, CTU may, after consultation with the Connectivity grantee(s) concerned, carry out rearrangement or shifting of the Connectivity across different bay(s) of the same substation will deal with the request as per proviso of Para 15.2	<ol style="list-style-type: none"> 1. As the optimal utilisation of transmission infrastructure has already been covered in detail under Para 15.2, this Para may be omitted. 2. This Para and its proviso is repetitive in nature and potentially loads the CTU with additional task of co-ordination and consultation which may percolate to disputes and litigation, even though the matter is taken up on request of grantee(s)
12	14.7	“The Stage-II Connectivity grantee may charge the entity(ies) sharing the dedicated transmission infrastructure, one time transmission charges not exceeding	We request clarification regarding: -	To bring-in clarity

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		Rupees Seven Crores Fifty Lakhs for each 25 MW with annual escalation of 3.5%.”	<p>A. Break-up of the one time charge capped to Rupees Seven Crores Fifty Lakhs for each 25 MW</p> <p>B. In case the pre-requisite for waiver of Transmission charges are fulfilled then what would be the relevance of referring “one time transmission charges”</p>	
13	14.4B	“Two or more applicants may apply for Stage-II Connectivity at a common bay along with an agreement duly signed between such applicants for sharing the dedicated transmission line. The Stage-II Connectivity shall be granted to such applicants subject to availability of capacity in the dedicated transmission line”	<p>We request clarification regarding: -</p> <p>A. Which agreement has been referred here, is it FORMAT-CON-LGN OR other mutual agreement.</p>	To bring-in clarity
14	Additional clarification		<p>We request clarification regarding: -</p> <p>Will there be corresponding changes /revision in the advisory “2. Detailed Procedure for grant of Connectivity based on Renewable Energy Sources”, as made available on CTU page as per below link; <a data-bbox="936 1029 1458 1093" href="https://webapps.powergrid.in/ctu/u/static-page.aspx?d=mX7pvQeCpAc=">https://webapps.powergrid.in/ctu/u/static-page.aspx?d=mX7pvQeCpAc=</p>	