

Annexure -1: Comments on Draft Amendment to Detailed Procedure for “Grant of Connectivity to Projects Based on Renewable Sources to Inter-State Transmission System”

S. No.	Clause no.	Existing Clause	Proposed Amendment	Rationale
1.	<u>5.2.2</u>	In the cases covered under 4th(fourth) proviso of Regulation 8A of the Connectivity Regulations, where the subsidiary companies have been allowed to utilize the Connectivity granted to the parent company and vice versa, the Connectivity grantee shall be responsible for all operational and commercial obligations of the concerned renewable energy generating including compliance with the provisions of the Grid Code and other regulations of the Commission, related to grid security, scheduling and dispatch, collection and		<p>Regulation 8A is silent on the aspect if such Connectivity and LTA granted to the parent company could also be utilised between two wholly owned subsidiary company of the same parent company and/or a company where the parent company exercises its control i.e. where the ownership is directly or indirectly, of more than 50% of the voting shares of such company or right to appoint majority Directors. Therefore, the same is also required to be clarified.</p> <p>In the multiple cases, where developer secured connectivity for a project and due to unavoidable circumstances, bidding agencies provide relaxation on the implementation of project/termination of project. Therefore, transfer of connectivity and LTA between the sister concerns will continue to protect the interest of PGCIL/ Transmission Licensee, where the original allottee (or the Common parent) shall continue to be obligated to maintain its contractual obligations and protect the interest of PGCIL / Transmission Licensee. InWEA further like to request the Hon’ble Commission to allow the Transfer/Utilize of connectivity and LTA to the Affiliate of the original grantee, in case the LoA or PPA gets cancelled due to the reason not attributed to the Developer like: PPA termination due to any Force</p>

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		payment / adjustment of Transmission charges, deviation charges, congestion and other charges etc.		<p>Majure event, Central/State bidding Agency not able to execute the PSA with the Distribution Licensee or get approval of PSA from Appropriate Commission etc.</p> <p>Moreover cancellation of Connectivity & LTA with imposition of relinquishment charges would be an additional burden on the developers, we request to allow transfer/utilize the Grid Connectivity and LTA granted to an affiliate/parent, “sister concern” of original Grantee without any relinquishment charges.</p> <p>In view of that, requested to Hon'ble Commission for following amendments:</p> <ol style="list-style-type: none"> 1. Allow Developer to use/transfer the existing connectivity and LTA, for other projects, being developed by itself or its subsidiary / affiliate companies. 2. In case, developer got a relaxation on termination of PPA, PGCIL shall also allow the developer to exit from TSA and return BGs to developer.
3.	5.3.1 For the connectivity system, the dedicated transmission line		In the proposed draft procedure, the Hon’ble Commission allows developer for construction of associated bay(s), subject to approval of the CTU.

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		including line bay(s) at generation pooling station shall be under the scope of the applicant and the terminal associated bay(s) at the ISTS sub-station shall be under the scope of transmission licensee owning the ISTS sub-station subject to compliance of relevant provision of tariff policy.		<p>In this regard, InWEA would like to submit that since the construction of associated bay(s) is a responsibility of PGCIL, however developer approaches to CTU for construction of associated bay(s) to save the timeline so that Wind/Solar project may commission on scheduled time.</p> <p>Considering the above fact, we are requesting the Hon'ble Commission to allow reimbursement of construction of associated bay(s) at the rate as defined by PGCIL or actual, whichever is lower, if developer constructs the same to save time.</p>
4.	<u>9.2.1. b</u>	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 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	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 exceeding the quantum of power	<p>We submit that the definition of "Renewable Hybrid Generating Station" covers the "Round the Clock Hybrid Project". Therefore, there is no need to put emphasize on the same.</p> <p>Moreover, "Round the Clock" is a power supply parameter decided by the Procurer in any bid and It should not be considered as type of project. Mentioning "Round the Clock Hybrid Project" does not give any additional meaning to the clause. Hence, we propose delete the same.</p> <p>We further submit that the concept of hybridization of wind & solar energy came into existence through National Solar Wind Hybrid Policy dated 14.05.2018 for efficient utilization of the Transmission asset. However, efficient utilization of Transmission asset can only be done if</p>

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		certified by the Renewable Energy Implementing Agency or the distribution licensee, as the case may be, shall be submitted along with the Connectivity applications.	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.	components are co-located. Multi located Renewable energy components would amount to wastage of Transmission Assets. In view of above, we request to align the procedure in line with hybrid policy and consider the “hybrid” project concept having Renewable Energy Components co-located.
5.	<u>9.2.1. b</u>	Illustration: - b) Suppose a bidder is awarded LOA for 500 MW under Round the Clock Hybrid Scheme with projects at multiple locations - 500 MW(Solar) in State “A” and 700 MW(Wind) in State “B” . Such project shall be eligible for Stage-II Connectivity	As needed.	As per the illustration the projects are located in two different states. It is to be noted that the “Guidelines for Tariff Based Competitive Bidding Process for Procurement of Round-The Clock Power from Grid Connected Renewable Energy Power Projects, complemented with Power from Coal Based Thermal Power Projects.” Notified recently, allow that the projects can be located in different states but within the Control Area of the same RLDC, for better Grid balancing.

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		under Clause 9.2.1, for the capacity of the project not exceeding the quantum of LOA (500 MW in the instant case) at each location on the basis of same LOA. If the said project intends to sell surplus power over and above the quantum for which Stage-II Connectivity has been granted under Clause 9.2.1, it shall be required to apply for additional Connectivity under Clause 9.2.2.		Considering the same, we suggest to clearly specify that the projects should relate to the same RLDC area.
6.	<u>9.3.1</u>	After grant of Stage II connectivity, the grantee covered under Clause 9.2.1 shall have to achieve the following milestones in accordance with the Letter of Award or the Power Purchase Agreement and submit the proof to CTU within a week of achieving the milestone(s): (i) Ownership or lease rights or land use rights of the land.		In the proposed amendment, the competitively bid projects are bound to achieve Financial Closure and Land Acquisition as part of Conditions Subsequent in PPA and as per Bidding Guidelines. Any delay on land acquisition / achieve Financial closure may occurred on account of reasons not attributable to generators, when such delay has already been condoned by the Bidding Agency. In view of that requested to Hon'ble Commission for align to submit the proof of achieve milestone, till revised dates as extended by bidding agencies instead of fixed in LoA or PPA.

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		(ii) Financial closure with sanction letter from financial institution. (iii) Proof of release of funds duly supported by Auditor's certificate		
7.	<u>16.5</u>	CTU shall share the available capacity of the ISTS sub-station (including bay wise availability) with the designated agencies as notified by the Government who may take the same into consideration while inviting the bids.	CTU shall share updated information from time to time regarding Maximum RE power integration possible at ISTS substation at each voltage class (including bay availability) and published the same on its website .	Updated information on available spare capacities of the ISTS sub-station (including bay wise availability) should be made public to enable RE project developers to plan future projects at such locations.
8.	<u>Mis.</u>			Relevance of Stage I application and grant of the same needs to be relooked into based on the following proposal in the draft Procedure: a. Alternate location of connectivity will not be mentioned while granting Stage-I connectivity. b. Grant of Stage-I Connectivity is not creating any rights in favour of the grantee.

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				<p>c. if capacity at the location where Stage-I Connectivity is granted becomes unavailable at a later stage, an alternate location will be allocated at the time of grant of Stage-II Connectivity.</p> <p>In view of above, it is suggested that the two stage process of granting Connectivity to be removed.</p>
Additional Comments				
9.		Mismatch in LTA Operationalization date & SCOD date.		<p>InWEA would like to submit that THE Central Bidding Agencies like SECI, NTPC already knows and dealing some matters, wherein, the delay have occurred which is not attributable to generators/ developers, and hence SCOD extension(s) have been granted by bidding agencies. In such cases the wind energy developers have applied for LTA considering its operationalization from its SCoD.</p> <p>The Ministry of Power has provided the waiver for InSTS Transmission charges for the RE projects commissioned till June 30, 2023, if participated under competitive bidding. However, any delay in commissioning of project happened on account of reasons not attributable to generators, when such delay has already been condoned by the Bidding Agency, and if any levy of Transmission Charges would render such projects totally unviable.</p>

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				<p>Considering above, InWEA is humbly requesting the Hon'ble Commission that ISTS Transmission Charges (on account of LTA operationalization) not to be levied on the wind energy projects till their revised Schedule Commissioning dates (as extended by Central bidding agencies).</p> <p>It is also requested for relaxation on LTA charges due to SCOD extension would be applicable on retrospective manner as various developers has already paid/paying LTA charges.</p>
10.	<u>10.10</u>	Waiver on requirement of Letter of Credit to CTU	Additional clauses to be added:	<p>We suggest that the Wind & Solar Projects may please be exempted from providing LC against the LTA granted in line with MoP order for waiver of Transmission charges.</p> <p>Further, the LC Condition also should not be made applicable for the period from LTA operationalization to actual SCOD of wind/Solar project if the delay in action SCOD is due to any reasons not attributable to wind and solar generators.</p> <p>It may please be noted that Wind/solar ISTS connected projects are being developed under competitive bidding in accordance with guidelines issued by Central Government and providing power to various state Discoms for compliance of their RPO.</p>

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				Therefore, it is requested that LC requirement should not be made applicable for the period from LTA operationalization to actual SOCD of Wind/Solar, if delay in actual SCOD is due to any reasons not attributable to Generators.