

Abhishek Rohilla <cerc.abhishek@gmail.com>

## Fwd: Comments/suggestions on draft CERC (Connectivity and GNA to the ISTS) Regulations, 2021

1 message

Abhishek Rohilla <abhishek.rohilla@delhi.gov.in> To: cerc abhishek <cerc.abhishek@gmail.com>

20 February 2022 at 10:27

Regards, Abhishek Rohilla Dy. Chief (Engg.) Central Electricity Regulatory Commission 3rd Floor, Chanderlok Building, 36, Janpath, New Delhi-110001

Mb. 9643439120

---- Forwarded Message -----

From: "Shilpa Agarwal" <shilpa@cercind.gov.in>

To: "Abhishek Rohilla" <abhishek.rohilla@gov.in>, "Ratnesh Kumar" <ratnesh.cea@gov.in>

Sent: Wednesday, February 16, 2022 11:35:05 AM

Subject: Fwd: Comments/suggestions on draft CERC (Connectivity and GNA to the ISTS) Regulations, 2021

---- Forwarded Message -----

From: dharmendra gupta <dharmendra.gupta@o2power.in>

To: Sanoj Kumar Jha <secy@cercind.gov.in>, Shilpa Agarwal <shilpa@cercind.gov.in>

Cc: rakesh@o2power.in

Sent: Tue, 15 Feb 2022 22:21:28 +0530 (IST)

Subject: Comments/suggestions on draft CERC (Connectivity and GNA to the ISTS) Regulations, 2021

Dear Sir,

O2 Power is the fastest-growing renewables platform in India and was jointly established by Temasek (a Govt. of Singapore firm) and EQT Infrastructure (largest European equity fund) to develop utility-scale renewable energy projects with an initial commitment of up to US\$ 500 million. O2 Power was launched in January 2020 and already awarded/acquired ~1.6 GW MW(AC) solar capacity from highly rated customers like NHPC, NTPC, SECI, GUVNL & RUMSL till date and also developing ~1.0 GW C&I / Merchant RE projects. O2 Power is targeting for 4 - 5 GW renewable capacity in next few years.

We sincerely appreciate Central Electricity Regulatory Commission's effort in promoting renewable energy in the country. We are grateful for your continued guidance, and assurance you have offered, in helping the renewable sector progress by enabling a robust and healthy environment to thrive in the country. We would like to thank you for the opportunity to raise our key concerns & suggestions on the Draft CERC (Connectivity and General Network Access to the inter-State Transmission System) Regulations, 2021.

We have enclosed our comments / suggestions on the draft Regulations and request to have a stakeholder consultation before finalizing these Regulations.

Thanks & Regards,

[cid:image001.png@01D8229D.93419BF0] Dharmendra Gupta Deputy General Manager Regulatory & Government Affairs

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[cid:image004.jpg@01D8229D.93419BF0]

## 5 attachments



image001.png 21K









Comments on GNA Regulations\_O2 Power.pdf 301K



Sr. No.	Clause no.	Existing Clause	Revised Clause / New Clause	Rationale
1.	4.1 (e)	Eligibility for Connectivity to	Eligibility for Connectivity to ISTS	The draft regulations allowed connectivity for the capacity of 5
		ISTS		MW or above for REGS or standalone ESS with an existing
			(e) REGS or standalone ESS with an	electrical system to promote RE / Storage in the system. Since the
		(e) REGS or standalone ESS	installed capacity of 1 MW and	above connectivity is associated with existing electrical system
		with an installed capacity of	<u>above</u> applying for grant of	and REGS / ESS, it is our suggestion to allow projects for lesser
		5 MW and above applying	Connectivity to ISTS through the	capacity and suggested to consider it from 1 MW and above
		for grant of Connectivity to	electrical system of a generating	instead of 5 MW or above.
		ISTS through the electrical	station already having Connectivity	Instead of a first of days.
		system of a generating	to ISTS:	
		station already having		
		Connectivity to ISTS:		
2.	5.1	An Applicant, which is a	An Applicant, which is a	Definition of Renewable Energy Generating Station includes both
		generating station	generating station including	RE source integrated <b>without</b> energy storage solutions and <b>with</b>
		including REGS, shall	REGS, shall apply for grant of	energy storage systems. While system without ESS require
		apply for grant of	Connectivity to the Nodal	connectivity to the extent of Installed capacity, systems with ESS
		Connectivity to the Nodal	Agency for the quantum equal to	doesn't require connectivity for the whole installed capacity,
		Agency for the quantum	the installed capacity of the	since part of the generation is stored during peak generation and
		equal to the installed	generating station	utilized later, depending on the application. There may be cases,
		capacity of the generating		where Renewable sources integrated with ESS always injects into
		station	Provided that if such an	grid for less quantum than installed capacity.
			Applicant is a REGS based on a	
			renewable source of energy with	In most of cases, injection into grid would be a function of
			Energy Storage System, it may	Renewable installed capacity and capacity of Energy Storage



Sr. No.	Clause no.	Existing Clause	Revised Clause / New Clause	Rationale
			apply for grant of Connectivity	Solution. The injection into grid depends upon the type of
			for a quantum less than or equal	contract from the projects (It could be peak hour supply from RE
			to the installed capacity.	sources or Renewable Energy – Round the Clock supply).
				Flexibility must be given to applicant to choose the quantum of
				outflow from the projects.
				Moreover, such provision is already available for Renewable
				Hybrid Generating Station. This optimization in connectivity
				quantum would further help to optimize the subsequent
				transmission capacity needs to be developed. In view of same, it
				is requested to suitably amend the Clause to incorporate the
				desired changes.
3.	5.2	Notwithstanding anything	Notwithstanding anything	The draft Regulation is permitting to add connectivity in the
		contained in Regulation	contained in Regulation 5.1, a	existing capacity with a condition to inject power within the
		5.1, a generating station,	generating station, with prior	quantum of granted connectivity, subject to prior approval of
		with prior approval of	approval of CTU, shall be eligible	CTU. As developer is restricted to inject power within the limit of
		CTU, shall be eligible to	to add, within the quantum of	existing quantum, the approval must be provided by CTU in a
		add, within the quantum	Connectivity granted to it,	timebound manner to protect the interest of developer.
		of Connectivity granted to	additional generation capacity,	
		it, additional generation	including ESS, and for this	Timeline bound approval from CTU required to be mentioned in
		capacity, including ESS,	purpose, the generating station	the clause, so that generating plant can plan the execution
		and for this purpose, the	shall apply to CTU, along with	accordingly.
		generating station shall	non-refundable application fee	



Sr. No.	Clause no.	Existing Clause	Revised Clause / New Clause	Rationale
		apply to CTU, along with non-refundable application fee of Rs 3 lakh along with applicable taxes;	of Rs 3 lakh along with applicable taxes;  CTU must provide approval in a time bound manner, i.e. within 30 days from the date of intimation	
4.	5.8 (vi)	The application for grant of Connectivity shall contain, inter alia, the following details, as applicable, duly supported with relevant affidavit, as stipulated in the Detailed Procedure for Connectivity and GNA issued in accordance with Regulation 39.1:  vi) Registration Number along with certificate issued by the CEA Registry	The application for grant of Connectivity shall contain, inter alia, the following details, as applicable, duly supported with	It is requested to remove condition related to submission of "Registration Number along with certificate issued by the CEA Registry" at the time of for application of GNA.  The submission of application is an initial stage process with an objective to secure connectivity at the earliest. In the proposed requirement, developer will be dependent on the third part (CEA) to get registration number & certificate for submission of application, which may delay the application process of developer.  In view of that request to remove such condition at the time of application for connectivity. CTU may ask such information at the time of signing of Connectivity Agreement in later stage.



Sr. No.	Clause no.	Existing Clause	Revised Clause / New Clause	Rationale
5.	7.2	In-principle Grant of Connectivity by the Nodal Agency  7.2 In case the Nodal Agency, after the interconnection study undertaken in accordance with Regulation 6.1 of these regulations, determines that ATS is required, the Nodal Agency shall intimate in-principle grant of Connectivity to the Applicant within 60 days from the last day of the month in which the application had been received:	In-principle Grant of Connectivity by the Nodal Agency  7.2 In case the Nodal Agency, after the interconnection study undertaken in accordance with Regulation 6.1 of these regulations, determines that ATS is required, the Nodal Agency shall intimate inprinciple grant of Connectivity to the Applicant within 30 days from the last day of the month in which the application had been received:	The nodal agency will able to get information within 30 days from interconnection study regarding requirement of ATS or Not in the proposed application. The nodal agency will provide in-principle connectivity within 30 days, in case no ATS is required. However, in case ATS is required, the Nodal agency will provide In-principle grant of connectivity after 60 days with an estimated cost & other details.  Since, Nodal agency will be in a position to get update on ATS within 30 days, it is our request to allow In-principle grant of connectivity within 30 days so that developer may able to work out on further project activates.
6.	7.2	7.2 Provided that intimation for in-principle grant of Connectivity shall include	7.2  Provided that intimation for inprinciple grant of Connectivity shall include the ATS & terminal bay(s),	In case of ATS, the regulation should provide a standard amount on per MW basis for submission of BG instead of estimated amount to be determined in 60 days. The objective of BG for ATS is only to get certainty / seriousness from developer as regulation



Sr. No.	Clause no.	Existing Clause	Revised Clause / New Clause	Rationale
		the ATS and terminal bay(s),	BG amount of Rs/MW	has provision to return the same after a certain period of
		estimated cost of such ATS	estimated cost of such ATS and	Commissioning.
		and terminal bay(s),	terminal bay(s), minimum design	
		minimum design features	features for dedicated transmission	In view of above request to provide a fix / standard amount for
		for dedicated transmission	lines to be constructed by the	BG on per MW basis for ATS so that developer will also get
		lines to be constructed by	Applicant and the likely date of	certainty in advance in term of expenses towards BG and helpful
		the Applicant and the likely	start of Connectivity:	to consider the same at the time of bidding.
		date of start of		to consider the same at the time of blading.
		Connectivity:		
7.	8.3 (b)	8.3 For cases covered	8.3 For cases covered under	In case of ATS, the regulation should provide a fix / standard
		under Regulation 7.2 of	Regulation 7.2 of these	amount for BG on per MW basis, which will help to get a certainty
		these regulations, the	regulations, the following	on investment upfront. In addition of that developer will not face
		following procedure shall	procedure shall be followed:	any challenges / risk, if applied as a 1 <sup>st</sup> applicant in ATS system.
		be followed:		
			(b) The Nodal Agency, within 6	As per draft regulation, 1st applicant has to pay BG equitant to
		(b) The Nodal Agency,	(six) months of furnishing of	ATS and may possible that 2 <sup>nd</sup> applicant applies after
		within 6 (six) months of	Conn-BG1 as per clause (a) of	consideration of ATS for 1st applicant. In such circumstance, both
		furnishing of Conn-BG1 as	this Regulation, shall intimate to	applicants will get connectivity in a same time but 1st applicant
		per clause (a) of this	such entity, (i) amount of Conn-	has to pay BG for entire ATS in advance.
		Regulation, shall intimate	BG2 to be furnished towards ATS	
		to such entity, (i) amount		In view of that we request to provide a fix / standard amount for
		of Conn-BG2 to be		BG on per MW basis (equivalent to applied quantum for
		furnished towards ATS	which shall not exceed the	be on per with basis (equivalent to applied qualitatin for
		Turrisileu towarus ATS	writer strait not exceed the	



Sr. No.	Clause no.	Existing Clause	Revised Clause / New Clause	Rationale
		and terminal bay(s),	estimated cost intimated under	connectivity) for ATS so that developer will also get certainty in
		which shall not exceed	Regulation 7.2 of these	advance as well as well as same treatment for all applicants.
		the estimated cost	regulations, (ii) the timeline for	
		intimated under	completion of ATS and terminal	
		Regulation 7.2 of these	bay(s), and (iii) firm date of start	
		regulations, (ii) the	of Connectivity:	
		timeline for completion of		
		ATS and terminal bay(s),	Provided that if such ATS and	
		and (iii) firm date of start	terminal bay(s) are planned for	
		of Connectivity: Provided	more than one entity, Conn BG2	
		that if such ATS and	shall be furnished in proportion	
		terminal bay(s) are	to the quantum of Connectivity	
		planned for more than	applied for by such entities:	
		one entity, Conn-BG2		
		shall be furnished in		
		proportion to the		
		quantum of Connectivity		
		applied for by such		
		entities:		
8.	8	Connectivity bank	Connectivity bank Guarantee:	The treatment of existing connectivity is same inline of new
		Guarantee:	For exiting connectivity	applicants and have to submit all requisite BGs.



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Sr. No.	Clause no.	Existing Clause	Revised Clause / New Clause	Rationale
		BG required without	BG required without Associated	We understand that BG's requirement is for certainty of
		Associated Transmission	Transmission System (ATS):	commissioning of projects as well as seriousness. However, if
		System (ATS):		developer has secured connectivity, it means either they have
			◆ Conn-BG-1: Rs. 50 lakhs	LoA from bidding agency OR secured land. In both case developer
		• Conn-BG-1: Rs. 50 lakhs	• Conn- BG-2:	has made commitment to develop project in term of BG
		• Conn- BG-2:	o 132 kV – Rs. 2 Cr.	submitted in bidding agency OR investment equity in land.
		o 132 kV – Rs. 2 Cr.	o 220 kV – Rs. 3 Cr.	
		o 220 kV – Rs. 3 Cr.	o 400 kV – Rs. 6 Cr.	The projects having PPA / LOA are required to be exempted from
		o 400 kV – Rs. 6 Cr.	o 765 kV – Rs. 12 Cr.	the burden of BG submission, as these projects have PPA/LOA
		o 765 kV – Rs. 12 Cr.	◆Conn BG — 3: Rs. 2 Lakh/ MW	and in advance stage of development.
		• Conn BG − 3: Rs. 2 Lakh/		
		MW	BG requirement with Associated	Hence, projects already having connectivity under PPA/LOA OR
			Transmission System (ATS):	Land route, are required to be exempted from Conn BG 2 (ATS
		BG requirement with		BG) and Conn BG 3 for Projects granted connectivity.
		Associated Transmission	◆Conn – BG -1: Rs. 50 Lakhs	
		System (ATS):	Conn — BG — 2: Estimated Cost	
			for ATS.	
		• Conn − BG -1: Rs. 50		
		Lakhs		
		•Conn − BG − 2:		
		Estimated Cost for ATS.		



Sr. No.	Clause no.	Existing Clause	Revised Clause / New Clause	Rationale
9.	8.3 (b)	(b) The Nodal Agency,	(b) The Nodal Agency, within 1	In the current timelines final grant of Connectivity takes 9-10
		within 6 (six) months of	(one) months of furnishing of	months in case of ATS requirement. This is not in alignment with
		furnishing of Conn-BG1	Conn-BG1 as per clause (a) of	RE projects, which by themselves will be required to be
		as per clause (a) of this	this Regulation, shall intimate to	commissioning by 18 months.
		Regulation, shall intimate	such entity, (i) amount of Conn-	
		to such entity, (i) amount	BG2 to be furnished towards	Therefore, the timelines need to be shortened. Nodal agency, in
		of Conn-BG2 to be	ATS and terminal bay(s), which	co-ordination with CEA, may do system studies in advance based
		furnished towards ATS	shall not exceed the estimated	on the expected generation and demand centers. They should
		and terminal bay(s),	cost intimated under Regulation	not wait till the applications are made.
		which shall not exceed	7.2 of these regulations, (ii) the	
		the estimated cost	timeline for completion of ATS	In view the above, timeline under clause 8.3 (b) shall be reduced
		intimated under	and terminal bay(s), and (iii) firm	to 1 (one) month so that overall timeline for final grant of
		Regulation 7.2 of these	date of start of Connectivity,	connectivity is reduced to 4-5 months.
		regulations, (ii) the	which shall not exceed 18	
		timeline for completion	months from date of	Also, the draft regulations didn't stipulate the maximum
		of ATS and terminal	application unless the date	timeline for firm date of start of connectivity. This may please be
		bay(s), and (iii) firm date	from which connectivity sought	restricted to 18 months from the date of application unless the
		of start of Connectivity:	is later:	applicant sought it from a later date.
10.	Clause 10.1	An entity which has been		Connection details such as technical connection data, inter-alia,
		intimated the final grant		generator data for fault studies, dynamic simulation data, details
		of Connectivity, <b>shall</b>		of data and voice communication must make part of Conn 5 & 6.
		furnish technical		Instead of asking upfront at the time of connectivity agreement,
		connection data, inter		



Sr. No.	Clause no.	Existing Clause	Revised Clause / New Clause	Rationale
		alia, generator data for		such studies and details must be asked in later stage, before the
		fault studies, dynamic		physical connection as current practise.
		simulation data, details of		
		data and voice		
		communication, to the		
		Nodal Agency as		
		stipulated in the Detailed		
		Procedure for		
		Connectivity and GNA		
		issued in accordance with		
		Regulation 39.1.		
11.	15.3	Any person which acquires 51% or more shareholding of the company or its subsidiary or affiliate company owning REGS or part thereof in terms of Regulation 15.2, may after COD of such part, apply to the Nodal Agency for transfer of Connectivity. The Nodal Agency shall issue revised grant of Connectivity on submission of applicable Conn-BG2 and Conn-BG3 by such person.	Any person which acquires 51% or more shareholding of the company or its subsidiary or affiliate company owning REGS or part thereof in terms of Regulation 15.2, may after COD of such part, apply to the Nodal Agency for transfer of Connectivity. The Nodal Agency shall issue revised grant of Connectivity on submission of applicable Conn-BG2 and Conn-BG3 by such person. The original grantee may substitute its Conn-	The regulation 15.1 of draft is allowing to split its Connectivity in parts, after COD of such part capacity. However, in the case of Group captive structure, developer may have to split connectivity in initial phase for equity infusion in separate SPVs. In view of that request to allow split / transfer of connectivity before commissioning of project for the name of person / company which acquires 51% or more shareholding of the company or its subsidiary or affiliate company owning REGS or part.



Sr. No.	Clause no.	Existing Clause	Revised Clause / New Clause	Rationale
		The original grantee may substitute its Conn-BG2 and Conn-BG3 with revised Conn-BG2 and Conn-BG3, to be intimated by CTU. On issue of revised grant of Connectivity, such person shall enter into a fresh Connectivity Agreement and be responsible for compliance with all applicable regulations.	BG2 and Conn-BG3 with revised Conn-BG2 and Conn-BG3, to be intimated by CTU. On issue of revised grant of Connectivity, such person shall enter into a fresh Connectivity Agreement and be responsible for compliance with all applicable regulations.	
12.	16.2	Treatment of Connectivity Bank Guarantee  Conn-BG2 and Conn-BG3 shall be returned in five equal parts over five years corresponding to the generation capacity which has been declared under commercial operation by the Connectivity grantee.	Treatment of Connectivity Bank Guarantee  Conn-BG2 and Conn-BG3 shall be returned in five equal parts over five years within 3 months of commissioning of corresponding to the generation capacity which has been declared under commercial operation by the Connectivity grantee.	The Regulation 40.1. has provided that "the transmission charges and losses for use of the inter-State transmission system shall be shared among buying entities of ISTS in accordance with the Sharing Regulations."  In any case, generator has no obligation to make payment of any transmission charges and losses after commissioning of project. It is to be noted that RE generators, specifically Wind / Solar generator has no variable cost and in any circumstance Wind / Solar generator will not backout from connected system. In view of that there is no need to hold BGs of such a huge amount for next 5 years, which will create an additional hurdle for Wind / Solar generator to participate in upcoming bids.



Sr. No.	Clause no.	Existing Clause	Revised Clause / New Clause	Rationale
13.	Clause no.	In case of non-payment of transmission charges under Regulation 13 of the Sharing	In case of non-payment of transmission charges under	In view of above, request to remove the provision to hold Con- 2 & 3 for 5 year and return the same within 3 months of commissioning of corresponding to the generation capacity which has been declared under commercial operation by the Connectivity grantee.  The application of connectivity is an initial exercise to be done after securing project from bidding agency, wherein generator
		Regulations for more than 3 months from the due date, such transmission charges shall be recovered by encashing Conn-BG1 (if subsisting), Conn-BG2 and Conn-BG3, as required. Connectivity shall be revoked from the date when Conn-BG2 is not sufficient to cover transmission charges under Regulation 13 of the Sharing Regulations.	Regulation 13 of the Sharing Regulations for more than 3 months from the due date, such transmission charges shall be recovered by encashing Conn-BG1 (if subsisting), Conn-BG2 and Conn-BG3, as required. Connectivity shall be revoked from the date when Conn-BG2 is not sufficient to cover transmission charges under Regulation 13 of the Sharing Regulations.  Provided that any extension granted from bidding agency / RE implementation agency will	will consider date of connectivity in line of SCOD linked with LoA or PPA. However, there are various Force Majeure events, which provide a relaxation to developer to get an extension of SCoD as the IPP has no control on the FM events. In several cases, the substation where plant needs to be connected is delayed and IPPs are not in a position to commission project on time. In such cases, bidding agencies provide suitable extension after a proper examination of documentary proof OR based on orders issued from Ministry related to respective Force Majeure event.  One side IPPs are getting extension and other side said regulation is not permitting to revise connectivity date and applicant is liable to pay transmission charges for mismatch timeline.
			RE implementation agency will also provide a liberty to	



Sr. No.	Clause no.	Existing Clause	Revised Clause / New Clause	Rationale
			generator to revise connectivity date till revised SCOD.	In view of above, request to allow revision of connectivity date, if any extension granted from bidding agency / RE implementation to generator.
14.	Clavification		sian Channa & James for OA	Ministry of Power issued an order on 3 <sup>rd</sup> Nov'21 to promote Solar / Wind projects for sale of power through Open Access route, wherein Ministry provided waiver of inter-state transmission changes for the Solar or Wind energy generation to be set up before 30.06.2025 by any person / entity for self-consume or sold to any entity either through competitive bidding, Power Exchange or through bilateral agreement.
	Clarification	Applicability of Transmission Charges & losses for OA Consumer to be procured power through ISTS connected Solar / Wind projects		In view of that if a consumer will purchase power from Wind / Solar project for self-consumption or through bilateral agreement, it will not liable to pay any Transmission Charges.  As per Draft GNA, if a buyer is going to procure power under OA route through ISTS network, has to take GNA through STU or direct from CTU and liable to pay Transmission Charges & losses. However, the order issued from MoP is providing a waiver on OA consumer for transmission charges.



Sr. No.	Clause no.	Existing Clause	Revised Clause / New Clause	Rationale
				Therefore, request you to kindly provide a clarification for the
				treatment of implementation of Transmission Charges on the
				OA consumer, if they will procure Wind / Solar power from the
				ISTS connected plants, to be commissioned before 30.06.2025
				as they will get waiver on transmission charges in line of MoP
				order.
15.				In case of ATS, the generator has to take additional risk of BG
				amount as well as timeline of sub-station. In such circumstance,
				it may difficult for generator to participate in bid due to
	Additional	Provision related to updat	ted data of existing & upcoming	uncertainty and may also face challenges to execute project on
	comments	Sub-station		time. Therefore, we request for an additional provision for Nodal
				agency to provide updated data of existing & upcoming Sub-
				station (require ATS or not) on monthly basis in it's website.
16.				The regulation is converting all granted connectivity inline of
				GNA provisions. There are various cases, where developer has
	Additional			secured connectivity based on existing mechanism. In such
	comments	Priority for existing connec	tivity holder	scenario, we request to provide a clarification that 1st priority
				must be given for existing connectivity holder to convert
				connectivity within 30 days in line of GNA Regulations.