

Ref- ACME/REG/020425/6679

Date: 2.4.2025

To,
Shri Harpreet Singh Pruthi
The Secretary,
Central Electricity Regulatory Commission,
7th Floor, World Trade Centre,
Tower B, Naurojinagar, New Delhi-110029

**Sub: Comments on Draft Central Electricity Regulatory Commission
(Connectivity and General Network Access to the inter-State Transmission
System) (Fourth Amendment) Regulations, 2025**

Dear Sir,

At the outset of, we are grateful to Hon'ble Central Electricity Regulatory Commission for (Connectivity and General Network Access to the inter-State Transmission System) (Fourth Amendment) Regulations, 2025.

We ACME Solar Holdings Limited are grateful to the Hon'ble CERC for providing the opportunity to submit our comments to the Draft Central Electricity Regulatory Commission (Connectivity and General Network Access to the inter-State Transmission System) (Fourth Amendment) Regulations, 2025.

We hereby submit our comments for your kind consideration.

Thanks & Regards,
For and on behalf of ACME Solar Holdings Limited



Tushar Goyal
(Vice President)

ACME's Comments/Suggestion in Draft CERC (Connectivity and General Network Access to the inter-State Transmission System) (Fourth Amendment) Regulations, 2025.

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Proposed Regulation	ACME's Suggestions	Rationale
<p>New Regulation 5.2a provides as under:</p> <p>5.2a The additional generation capacity under Regulation 5.2 of these regulations shall be subject to the following conditions:</p> <p>(a) Connectivity Bank Guarantee Conn-BG1 and Conn-BG3 under Regulation 8 of these regulations shall be furnished by the existing grantee for such additional generation capacity;</p> <p>.....</p> <p>(c) In case additional capacity for which approval is sought under Regulation 5.2 of these regulations is REGS (with or without ESS) or ESS (except PSP), the scheduled date of commercial operation for such additional capacity shall not be later than 18 months from date of approval by the Nodal Agency;</p> <p>.....</p>	<p>New Regulation 5.2a provides as under:</p> <p>5.2a The additional generation capacity under Regulation 5.2 of these regulations shall be subject to the following conditions:</p> <p>(a) Connectivity Bank Guarantee Conn-BG1 and Conn-BG3 under Regulation 8 of these regulations shall be furnished by the existing grantee for such additional generation capacity</p> <p><i>Provided where an entity proposes to share its dedicated transmission system with existing grantee who, such entity shall be permitted to share such Connectivity Bank Guarantee viz Conn-BG1 and Conn-BG3, already furnished by existing grantee under Regulation 8 of the principal Regulations, such sharing must be on pro-rata basis between the entity under Regulation 5.2a and entity covered under Regulation 5 which is an existing grantee under the principal regulations.</i></p> <p><i>Provided further that where an existing grantee is seeking additional generation capacity under regulation 5.2 of these regulations and shares the same dedicated transmission system, such entity shall not require submission of Conn BG-1 and Conn BG-3.</i></p> <p>.....</p>	<p>The requirement for furnishing Bank Guarantees by entities seeking to add generational capacity through the same dedicated transmission system under regulation 5.2 of these regulations shall not be mandatory. The Nodal Agency shall, instead, consider the Bank Guarantees already provided by the entity under the main connectivity, on a prorated basis, in the same manner as is proposed to be applied to entities covered under Regulation 5.11(a) [Annexure IV(1)(h)].</p> <p>In support of the above proposal, and on perusal of clause 28 of the explanatory memorandum passed by this Ld. Commission for draft GNA 4th Amendment, it can be understood that the Commission has proposed a case where if the existing entity shares its dedicated transmission system with another entity, the Conn-BG 2 and Conn-BG3 shall be shared among the existing and the new entity, in proportion to their quantum of Connectivity. The new Applicant based on Wind (with or without ESS) or ESS shall submit proportionate Conn-BG2 and Conn-BG3, and the existing Applicant shall submit the fresh reduced BGs. After receipt of the fresh BGs, the Nodal Agency shall return to the original BG of the existing Applicant. The new Applicant is required to submit the Conn-BG1 for full quantum, which is a fixed amount irrespective of the quantum of Connectivity sought.</p> <p>On the above reasoning, it is kindly requested from this Ld. Commission to relax the requirement for furnishing a bank guarantees in cases similar to above so that both</p>



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<p>(e) The entity which has already made an application or has been granted approval by the Nodal Agency under Regulation 5.2 of these Regulations prior to the date of effectiveness of these amendments, shall furnish the scheduled date of commercial operation for such additional capacity, within a period of two weeks from effectiveness of these regulations:</p> <p>Provided that, in case such additional generation capacity is REGS (with or without ESS) or ESS (other than PSP), the scheduled date of commercial operation for such additional capacity shall not be later than 18 months from the date of effectiveness of these amendments or date of approval by the Nodal Agency, whichever is later.</p>	<p>(e) The entity which has already made an application or has been granted approval by the Nodal Agency under Regulation 5.2 of these Regulations prior to the date of effectiveness of these amendments, shall furnish the scheduled date of commercial operation for such additional capacity, within a period of two weeks from effectiveness of these regulations:</p> <p>Provided that, in case such additional generation capacity is REGS (with or without ESS) or ESS (other than PSP), the scheduled date of commercial operation for such additional capacity shall not be later than 24 months from the date of effectiveness of these amendments or date of approval by the Nodal Agency, <i>or actual date of commissioning of the ISTS substation</i>, whichever is later.</p>	<p>It is possible that the additional generation capacity is sought in a substation whose commissioning date is beyond 24 months and hence in such cases it is not prudent for developers to commission such additional generation capacity earlier than the commissioning of substation where such additional generation is sought/granted. Therefore, it is requested that the timelines be linked to commissioning of substation/start date of connectivity.</p> <p>With respect to entities seeking to add generation capacity for Energy Storage Systems (ESS), the timelines specified in the bidding guidelines must be incorporated into the proposed draft amendment. Specifically, the Request for Selection (RFS) documents for ESS-based projects stipulate a Scheduled Commercial Operation Date (SCOD) of 24 months, as opposed to the 18 months typically applied to other projects. This alignment with the bidding guidelines should be reflected in the draft amendment. Therefore, it is requested that the timeline should be 24 months so that it is aligned with MoP bidding guidelines.</p>
<p>Provided also that such additional generation capacity shall also comply with Clauses (a) to (d) of this Regulation, within a period of one month from the date of effectiveness of this Regulation, failing which approval for such additional generation capacity shall be revoked.</p>	<p>Provided also that such additional generation capacity shall also comply with Clauses (a) to (d) of this Regulation, within a period of six months from the date of effectiveness of this Regulation, failing which approval for such additional generation capacity shall be revoked.</p>	



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		<p>Compliance of clause (a) to (d) of these regulations in one month will require applicants/grantee to submit either LOA, 50% land or BG which seems difficult in such a short time. Further, there are no parameters defined by authorities towards land requirement of BESS. Therefore, it is requested that the time period for compliance under clause (a) to (d) be allowed within 06 months from date of effectiveness of this regulation.</p>
	<p><i>One time GNA charges: For cases covered under Regulation 5.2a, One time GNA charges already furnished by an entity under Regulation 40.2 shall be shared on a prorata basis (on the basis of quantum of Connectivity) between the entity under Regulation 5.2a and entity covered under Regulation 4.1 of these regulations.</i></p>	<p>The proposed draft amendment stipulates the payment of one-time GNA charges for entities falling under Regulation 5.11. According to the draft, these charges shall be shared on a prorated basis, based on the quantum of connectivity, between entities under Regulations 5.11(b) or 5.11(c) and those covered under Regulation 5.11(a) if the dedicated transmission system is shared between the entities. However, the draft remains silent on the issue of one-time GNA charges for entities falling under Regulation 5.2. In light of this, we respectfully request that the Hon'ble Commission provide clarification on this matter.</p> <p>Furthermore, entities applying for additional generation capacity within the scope of their already granted connectivity have previously paid one-time GNA charges on a per MW basis for the full quantum of capacity.</p>



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<p>A new Regulation 5.11 shall be added after Regulation 5.10 of the Principal Regulations, as under:</p> <p>“5.11 Entities with Restricted Access</p> <p>(a) An REGS (with or without ESS) based on Wind source or ESS may seek Connectivity with restricted access (non-solar hours) at a terminal bay of an ISTS substation:</p> <p>(i) Through a separate dedicated transmission system, or</p> <p>(ii) Which is already allocated to another REGS or Renewable Power Park, with restricted access (solar hours),</p> <p>Example: An REGS (Wind - 400 MW, ESS - 200 MW) may seek Connectivity of 600 MW with restricted access rights, where injection scheduling rights during solar hours shall be Nil and injection scheduling rights during non-solar hours shall be 600 MW.</p>	<p>A new Regulation 5.11 shall be added after Regulation 5.10 of the Principal Regulations, as under:</p> <p>“5.11 Entities with Restricted Access</p> <p>(a) An REGS (with or without ESS) based on Wind source or ESS may seek Connectivity with restricted access (non-solar hours) at a terminal bay of an ISTS substation:</p> <p>(i) Through a separate dedicated transmission system, or</p> <p>(ii) Which is already allocated to another REGS or Renewable Power Park, with restricted access (solar hours),</p> <p>Example: An REGS (Wind - 400 MW, ESS - 200 MW) may seek Connectivity of 600 MW with restricted access rights, where injection scheduling rights during solar hours shall be Nil and injection scheduling rights during non-solar hours shall be 600 MW.</p>	<p>under the principal connectivity. Accordingly, there is no need for the payment of fresh one-time GNA charges for entities falling under Regulation 5.2 of the principal regulations.</p> <p>Therefore, it is requested that this Hon'ble Commission may clarify that one-time GNA charges shall not be applicable for such additional generation capacity.</p> <p>Presently, entities seeking additional generation capacity under Regulation 5.2 of the principal regulations are granted access for the entire 24-hour period (including both solar and non-solar hours), with the ability to inject power at any time, regardless of whether it is during solar or non-solar hours.</p> <p>However, the draft amendment proposes the introduction of Regulation 5(11)(b), which pertains to REGS, with or without ESS, based on solar or RHGS combined with solar or any other energy source. This provision provides to convert an existing connectivity arrangement into restricted access. Under this proposed amendment, entities existing connectivity will be converted to restricted access thereby restricting these entities to inject power during solar hours and will have no right to inject power during non-solar hours. It may be possible that such entities have already applied/granted for additional generation capacity under</p>
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<p>(b) The In principle or final grant of Connectivity intimated to an REGS (with or without ESS) based on solar source or an RHGS with a combination of solar source with another source including ESS (including cases where GNA is effective) shall be converted as an entity with restricted access (corresponding to non-solar capacity during non-solar hours) within a period of one week after the expiry of three months from date of effectiveness of this Regulation:</p> <p>Provided that while converting to restricted access, the Nodal Agency shall consider the application which such an entity may make for additional capacity under this Regulation 5.2 or Regulation 5.11(a) of these regulations, within a period of three months from effectiveness of this Regulation: Provided further that if the quantum of Connectivity that can be made available for non-solar hours is less than 50 MW, such RES or RHGS shall not be considered for conversion as an entity with restricted access.</p> <p>Examples:</p> <p>(i) If an REGS based on a Solar source has been granted Connectivity of 1000 MW, such entity shall have restricted injection scheduling rights for 1000 MW in Solar hours and shall have no injection scheduling rights during NonSolar hours. However, it may draw power during non-solar hours.</p>	<p>(b) The In principle or final grant of Connectivity intimated to an REGS (with or without ESS) based on solar source or an RHGS with a combination of solar source with another source including ESS (including cases where GNA is effective) shall be converted as an entity with restricted access (corresponding to non-solar capacity during non-solar hours) within a period of one week after the expiry of three months from date of effectiveness of this Regulation:</p> <p>Provided that while converting to restricted access, the Nodal Agency shall consider the application which such an entity may make for additional capacity under this Regulation 5.2 or Regulation 5.11(a) of these regulations, within a period of three months from effectiveness of this Regulation: Provided further that if the quantum of Connectivity that can be made available for non-solar hours is less than 50 MW, such RES or RHGS shall not be considered for conversion as an entity with restricted access.</p> <p><i>Provided further that where an existing grantee based on solar source or an RHGS with a combination of solar source with another source including ESS (including cases where GNA is effective) makes an application or has been granted additional generation capacity under Regulation 5.2 of these regulations, the in-principle grant or final grant of such existing grantee shall not be converted to entity with restricted access.</i></p> <p>.....</p>	<p>regulation 5.2 with a view to install BESS for injection during non-solar hours.</p> <p>Upon reviewing the draft amendment, it appears that there is no clarity regarding the treatment of existing connectivity grantee under Regulation 5.2 in above situation. Specifically, on perusal of Clause 13(b) and Clause 17 of the explanatory memorandum for draft 4th GNA Amendment passed by this Hon'ble Commission, it can be understood that if an existing entity makes an application under Regulation 5.2, adding such wind/ESS at the same connection point, in which the existing entity acts as a lead generator, in such case the scheduling shall be coordinated by lead generator and there shall be no identification of solar/non-solar hours for such capacity.</p> <p>Therefore, it may lead to a situation that the existing grant gets converted into restricted access and the additional generation capacity applied or granted by such entity will also get restricted to inject power only during solar hours. In such scenario, developer who had applied under 5.2 in existing grant with a view to install BESS for power injection during non-solar hours will not be able to utilise connectivity during non-solar hours.</p> <p>We respectfully request that the Hon'ble Commission provide clarification that in-principal or final grant of connectivity for entities based on solar source or an RHGS with a combination of solar source with another source including ESS entities shall not be converted as an entity with restricted access if such entity has applied or has been granted additional generation capacity under</p>
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.....		regulation 5.2 of these regulations. This will provide clarity as additional generation capacity in the form of BESS or wind may inject power during both solar or non-solar hours.
6.1 A new Clause (6) shall be added after Clause (5) of Regulation 11A of the Principal Regulations, as under: “(6) Any changes in shareholding pattern of the Connectivity grantee upto CoD of the project shall be subject to the following: (a) The promoters of the Connectivity grantee shall not cede control (where control shall mean the ownership, directly or indirectly, of more than 50% of the voting shares of such Company or right to appoint majority Directors) of the Company.	6.1 A new Clause (6) shall be added after Clause (5) of Regulation 11A of the Principal Regulations, as under: “(6) Any changes in shareholding pattern of the Connectivity grantee upto CoD of the project shall be subject to the following: (a) The promoters of the Connectivity grantee shall not cede control (where control shall mean the ownership, directly or indirectly, of more than 50% of the voting shares of such Company or right to appoint majority Directors) of the Company. (b) In case the Connectivity grantee has multiple promoters (but none of the shareholders have more than 50% of voting rights and paid-up share capital),	It is possible that there may be change in shareholding of connectivity grantee within the same group company having the same ultimate parent company with an objective of internal restructuring etc., or it is a public listed company, then there should not be any restrictions as proposed in the draft given that the same ultimate parent company still holds the controlling shareholding of grantee either directly or indirectly which shows that such group is serious player and is not engaging in trading of connectivity. This amendment seeks to clarify that changes in the shareholding structure within the same corporate group (i.e., companies under the same ultimate parent and same promoter group) shall not be treated as a breach of any regulatory conditions. The objective is to facilitate internal corporate restructuring or changes in ownership without triggering internal restructuring



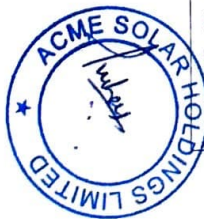
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<p>(b) In case the Connectivity grantee has multiple promoters (but none of the shareholders have more than 50% of voting rights and paid-up share capital), the shareholding pattern shall be maintained and cannot be changed upto COD of the project.</p>	<p>the shareholding pattern shall be maintained and cannot be changed upto COD of the project.</p>	<p>restrictions or compliance burdens, provided the ultimate control of the parent company remains unchanged.</p>
<p>(c) Any change in shareholding pattern other than covered in sub-clauses (a) and (b) shall require prior approval of the nodal agency and shall be filed for information of commission within 45 days of such approval. Nodal Agency may allow such application considering the practical requirement for change in shareholding.</p>	<p>(c) Any change in shareholding pattern other than covered in sub-clauses (a) and (b) shall require prior approval of the nodal agency and shall be filed for information of commission within 45 days of such approval. Nodal Agency may allow such application considering the practical requirement for change in shareholding.</p>	<p>We therefore request clarity on the proposed amendment so as to avoid future litigation and a clear direction to CTU.</p>
<p>(d) In case any change in control or shareholding pattern of the Connectivity grantee is carried out in contravention to sub-clauses (a) to (c) of this Clause, the Connectivity shall be revoked, Bank Guarantee submitted under subclause (c) of Clause (vii) or sub-clause (c) of Clause (xi) of Regulation 5.8 of these regulations shall be encashed, and Conn-BG1, Conn-BG2 and Conn-BG3 shall be treated in terms of Regulation 24.2 or Regulation 24.3 of these regulations, as applicable.</p>	<p>(d) In case any change in control or shareholding pattern of the Connectivity grantee is carried out in contravention to sub-clauses (a) to (c) of this Clause, the Connectivity shall be revoked, Bank Guarantee submitted under subclause (c) of Clause (vii) or sub-clause (c) of Clause (xi) of Regulation 5.8 of these regulations shall be encashed, and Conn-BG1, Conn-BG2 and Conn-BG3 shall be treated in terms of Regulation 24.2 or Regulation 24.3 of these regulations, as applicable.</p> <p><i>Provided that any change in shareholding within a listed entity /corporate group, and where such companies are controlled by the same parent or ultimate parent company, shall not be subject to any restrictions or limitations, of any kind, under this regulation.</i></p>	



<p>Annexure-IV Modalities of Restricted Access for Solar Hours and Non-Solar Hours of the day-</p> <p>(1) Grant of Connectivity with restricted access to an entity covered under Regulation 5.11 (a) of these regulations;</p> <p>.....</p> <p>(2) Connectivity for an entity covered under Regulation 5.11 (b) and 5.11(c) of these Regulations;</p> <p>.....</p> <p>(6) NLDC shall notify the Solar hours and Non-solar hours beginning from date of notification of these amendments on a weekly basis for each State. NLDC may revise such hours during the week in case of unforeseen contingency including weather changes.</p>	<p>Annexure-IV Modalities of Restricted Access for Solar Hours and Non-Solar Hours of the day-</p> <p>.</p> <p>.....</p> <p>.....</p> <p>(7) Where the Parent company has obtained additional connectivity under Regulation 5.2 or 5.11, it may execute such additional generation capacity through itself or its subsidiary which may be same or different as of subsidiary executing the solar/wind project under regulation 5.11 (b) or 5.11 (c).</p> <p>.....</p> <p>(6) NLDC shall notify the Solar Hours and Non-Solar Hours on a weekly basis for each State, beginning from the date of notification of these</p>	<p>The proposed amendment is to provide greater operational flexibility to the parent company in executing generation projects. The ability to execute</p>
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	<p><i>amendments. NLDc may revise these hours during the week in the event of unforeseen contingencies, including weather-related changes. Additionally, NLDc shall develop and publish a detailed procedure outlining the criteria and methodology for determining the Solar and Non-Solar Hours. This procedure shall be open for consultation and comments by stakeholders prior to its finalization.</i></p>	<p>10</p> <p>additional generation through either itself or any of its subsidiaries, whether the same or different from the entity executing the solar or wind project, is essential for fostering efficient project development. It allows the parent company to adapt to changing market conditions, optimize resource allocation, and ensure the timely and cost-effective implementation of projects.</p> <p>Additionally, in some cases, the parent company may wish to utilize a different subsidiary, which may possess more specialized expertise or operational capacity to handle the specific generation project. Allowing this flexibility will not only align with common business practices but also enhance the ability of developers to deploy renewable energy projects more effectively, which ultimately supports the overarching goal of expanding renewable energy capacity in the country.</p> <p>This amendment aims to provide clarity and consistency regarding the definition and management of Solar and Non-Solar Hours. By requiring NLDc to notify these hours on a weekly basis, stakeholders can anticipate and plan for the availability of solar generation more effectively. Furthermore, the provision allowing revisions during unforeseen contingencies, such as weather changes, ensures that the system remains adaptable to real-time conditions.</p> <p>The amendment also mandates that NLDc establishes a transparent procedure for determining Solar and Non-Solar Hours. Opening this procedure to consultation and comments from stakeholders will ensure that the</p>
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		methodology is robust, fair, and reflects the input of all affected parties, thus fostering collaboration and reducing potential conflicts in the future.
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