

EDEN RENEWABLE CITE PRIVATE LIMITED

CIN: U36100DL2017PTC321762

ERC PL | CERC | CS - 017 .

Date: August 29, 2018

To,
The Secretary
Hon'ble Central Electricity Regulatory Commission
Chanderlok Building, 36, Janpath
New Delhi-

Reference: Suggestions for Amendments in the Detailed procedure to the Grant of Connectivity to Projects based on Renewable Sources to Interstate Transmission System

Subject: Request for Amendment /issuance of Clarification to Clause 9.3.1 (iii) of above referred procedure and Clause 9.2.1

Dear Sir,

We, EDEN Renewable CITE Private Limited a Joint Venture between EDF EN (Government Electricity Utility Company of France) & Total Eren of France, is set up for development of renewable projects in India.

We are thankful to CERC for issuance of guidelines dated May 15, 2018 and the draft amendments dated August 09, 2018 to protect the rights of renewable energy sources for connectivity to ISTS, by providing detailed guidelines through the above referred procedure.

We also take this opportunity to draw your attention to certain provisions of the procedure which we suggest to be amended and changed in the Draft Regulations. (Attached as Annexure 1)

We as an Industry player and in order to contribute our best efforts in the interest of the Renewable Industry request you to take the above points into consideration.

Thanking You!

For and on Behalf of
EDEN Renewable Cite Private Limited


Sanjeev Mittal
Director
DIN: 07553773



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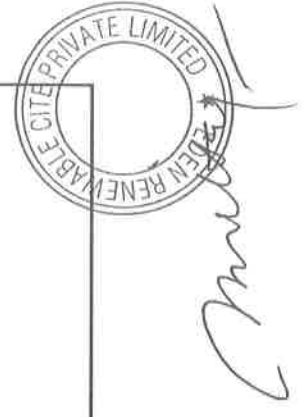
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Annexure 1

Sr. No.	Clause No & Page No	Existing Provision	Suggestions	Revision suggested (Modified provision)
1.	<p>Clause <u>9.3.1</u> of the <u>Main Regulations</u> <u>Page no: 09</u></p>	<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 and submit the proof to CTU within a week of achieving the milestone(s):</p> <p>{i) Proof of release of at least 10% funds towards generation project execution within three months from the date of financial closure</p> <p>{ii) Proof of release of funds towards generation project execution within three months from the date of financial closure supported by Auditor's certificate regarding release of such funds through date offinancial closure supported by Auditor's certificate regarding release of such funds through equity</p> <p>{iii) Proof of release of funds towards generation project execution within three months from the date of financial closure supported by Auditor's certificate regarding release of such funds through equity (required as per bidding documents)</p>	<p>We wish to draw your attention towards the process of infusion of the shareholders fund in the projects. Subject to the agreement between Renewable Project Developer and Lenders and considering the nature of the expected cash flows, the shareholders fund is infused in many ways and forms, including but not limited to Equity shares, Preference Shares, CCDs (Compulsorily Convertible Debentures), NCDs (Non-Convertible Debentures) etc. However as per Companies Act 2013 and also as general Accounting Practices, the term "Equity" as mentioned in clause 9.3.1(iii) refer ONLY to "Equity Shares". Therefore, in the event the Grantee has infused funds in the project in any other form to the desired amount equivalent to 10%, will not qualify for issuance of Auditor's Certificate to fulfil the requirements.</p> <p><i>We, therefore, humbly request the Hon'ble Commission:</i></p>	<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 and submit the proof to CTU within a week of achieving the milestone(s):</p> <p>{i) Proof of release of funds towards generation project execution within three months from the date of financial closure supported by Auditor's certificate regarding release of such funds through equity</p> <p>{ii) Proof of release of funds towards generation project execution within three months from the date of financial closure supported by Auditor's certificate regarding release of such funds through equity (required as per bidding documents)</p> <p>{iii) Proof of release of funds towards generation project execution within three months from the date of financial closure supported by Auditor's certificate regarding release of such funds through equity (required as per bidding documents)</p>



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			<p>a. <i>to amend the provision/issue suitable clarification in this regard to provide flexibility to Grantee, to infuse his fund (Shareholder's fund) in any manner whatsoever it deem fit to optimize the returns from the project</i></p> <p>b. <i>as well as confirmation that 10% equity infusion shall be applicable only when it is also required as per bidding documents i.e. achievements of the milestones in accordance with bidding documents as provided in the Clause 9.3.1.</i></p>	
<p>2.</p> <p><u>Clause 9.2.1</u> <u>of the Main</u> <u>Regulations</u></p> <p><u>Page no: 08</u></p>	<p>Any of the following shall be eligible for grant of Stage-II Connectivity:</p> <p>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</p>	<p><i>We hereby request the Hon'ble Commission to Substitution of term "letter of award" by "Letter of Award/Letter of Intent" in the above para 9.2.</i></p>	<p>Any of the following shall be eligible for grant of Stage-II Connectivity:</p> <p>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 developments of renewable generation projects including hybrid projects and is either a grantee of Stage-I connectivity or has applied for Stage-I and Stage-II Connectivity</p>	



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	<p>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 renewable generation project including hybrid projects.</p>	<p>simultaneously. Such entity shall be required to submit Letter of Award/Letter of Intent issued by designated agency for development of the renewable generation project including hybrid projects.</p>	
<p>3. <u>Not there in the Main Regulation</u></p>	<p>Currently no provision is there</p> <p>The Regulations do not contain any provisioning with respect to the change of the location of the project for any reasons.</p>	<p><u>"The Stage-II connectivity grantee shall be allowed to change the location of the project without forfeiting the connectivity granted by Powergrid". However in all cases, there shall be no extension in any timeline with respect to other conditions/requirements of this procedure.</u></p>	



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