



The Hydrogen Company

With ambition to make India Green Hydrogen hub and aid Government in achieving its climate target of 5 MT hydrogen production by 2030

Comments on Draft CERC GNA Regulation, 2021

Sr. No.	Clause No of Proposed GNA Reg	Suggestions/Observations
1	<p><i>17 Eligibility for GNA: -</i></p> <p>.....</p> <p><i>(iii) A distribution licensee or a Bulk consumer, seeking to connect to ISTS, directly, with a load of 50 MW and above: ...</i></p>	<p>This is to be submitted that Clause 17.1 (iii) of Draft GNA Regulations as proposed by Hon’ble CERC, states about eligibility criteria for distribution licensee or a Bulk consumer for getting GNA to ISTS.</p> <p>As per Clause 17.1 (iii) any bulk consumer if having minimum load of 50 MW or above, are eligible for GNA to ISTS. We believe that with better policy support and promotional regulatory provisions at central level Green Hydrogen can become an impactful solution to decarbonize energy intensive sectors and to achieve India goal of achieving 500GW renewable capacity by 2030.</p> <p>Considering the same we request Hon’ble Commission to reduce minimum load limit up to 10 MW or above for getting ISTS connectivity for Green Hydrogen projects which makes such projects more viable.</p>
2	<p><i>5.1....</i></p> <p><i>Provided further that if such an Applicant is a Renewable Hybrid Generating Station, it may apply for grant of Connectivity for a quantum less than or equal to the installed capacity.</i></p>	<p>We appreciate that Hon’ble Commission has given impetus on encouragement of Hybrid projects based on renewable sources through mentioned provisions, however we seek clarification about minimum capacity limit on installed capacity of individual RE sources, as applicable in case of RE Hybrid projects which are based on hybrid of two or more renewable sources, and eligible for ISTS connectivity.</p> <p>We wish to highlight that in November 2021 UN Climate Change Conference (COP26) concluded in Glasgow with all countries including India agreeing the Glasgow Climate pact. India assured its cooperation to tackle climate change in earnest. Hon’ble Prime Minister Shri Narendra Modi announced an ambitious target which include raising non-fossil fuel-based energy capacity to 500 GW, lowering total projected carbon emission by one billion tones, and meeting 50% of the country’s energy needs through renewable sources.</p> <p>In this regard we wish to submit that we believe that Green Hydrogen will be one of impactful solution to achieve net zero emissions by 2070 as targeted in COP26. We request Hon’ble Commission to include provisions specific for Green Hydrogen projects promotion, who are willing for ISTS connectivity.</p>

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3	<p>8.3. For cases covered under Regulation 7.2 of these regulations, the following procedure shall be followed:</p> <p>(a) The entity that has been intimated in-principle grant of Connectivity, shall submit its consent for execution of ATS and terminal bay(s), as intimated under Regulation 7.2 of these regulations, along with Conn-BG1, within one month of intimation of in-principle grant of Connectivity, failing which the application for Connectivity shall be closed and application fee shall be forfeited.</p> <p>(b) The Nodal Agency, within 6 (six) months of furnishing of Conn-BG1 as per clause (a) of this Regulation, shall intimate to such entity, <u>(i) amount of Conn-BG2 to be furnished towards ATS and terminal bay(s), which shall not exceed the estimated cost intimated under Regulation 7.2 of these regulations, (ii) the timeline for completion of ATS and terminal bay(s), and (iii) firm date of start of Connectivity: ...</u></p>	<p>This is to be submitted that as per Clause 8.3 of Draft Reg as issued by Hon'ble CERC for cases where nodal agency after interconnection study determines about requirement of Associated Transmission System (ATS), after consent for execution by interested entity, <u>Nodal agency after study will intimate the final amount of BG-2 to be paid which will not exceed estimated cost as per Clause 7.2.</u></p> <p>We wish to submit that for cases where ATS not required Hon'ble Commission has clearly defined the amount of BG-2 to be submitted by interested entity, however for cases where ATS is required no specific amount has been mentioned.</p> <p>In this regard we request Hon'ble Commission to include provision for withdrawal of application in case where additional cost as proposed by CTU in lieu of required ATS, does not fit in budget of interested applicant, without imposing any penalty charges. Or Hon'ble Commission may include upper cap on amount of BG-2 required to be submitted in such case, it will help in better project planning for interested entity for ISTS connectivity.</p>
4	<p>16.2. Conn-BG2 and Conn-BG3 shall be returned <u>in five equal parts over five years</u> corresponding to the generation capacity which has been declared under commercial operation by the Connectivity grantee.</p>	<p>This is to be submitted that as per Clause 16.2 Conn-BG2 & Conn-BG3 will be returned in five equal parts over five years to entity got connectivity with ISTS.</p> <p>In this regard we wish to submit that typically power plant commissioning can be achieved within 18 to 24 months, considering the same, returning Conn-BG2 & Conn-BG3 in five equal parts over five years will overburden applicants to ISTS connectivity. We request Hon'ble Commission to return the submitted BG within 2 to 2.5 years, which seems more reasonable.</p>

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5	<p>4.1</p> <p><i>(e) REGS or standalone ESS with an installed capacity of <u>5 MW</u> and above applying for grant of Connectivity to ISTS through the electrical system of a generating station already having Connectivity to ISTS:</i></p>	<p>This is to be submitted that Clause 4.1 states about eligibility criteria for getting connectivity with ISTS. As per Clause 4.1(e) any REGS or standalone ESS with an installed capacity of 5MW and above applying for connectivity to ISTS through electrical system of a ISTS connected generating station are also eligible for connectivity.</p> <p>In this regard we request Hon’ble Commission to allow REGS or standalone ESS with an installed capacity of 1 MW and above for getting ISTS connectivity through electrical system of a generating station already connected to ISTS. This will give opportunity to small renewable projects to reap in benefits as proposed by Hon’ble Commission at ISTS level.</p>
6	<p><i>5.6. An Applicant may apply for grant of Connectivity at (i) a terminal bay of an ISTS sub-station already allocated to another Connectivity grantee or (ii) switchyard of a generating station having Connectivity to ISTS, with an agreement duly signed between the Applicant and the said Connectivity grantee or the generating station having Connectivity to ISTS, as the case may be, for sharing the terminal bay or the switchyard and the dedicated transmission lines, if any. The applicable Connectivity Bank Guarantee as per Regulation 8 of these regulations shall be submitted by such Applicant.</i></p>	<p>This is to be submitted that Clause 5.6 of Draft GNA Regulations as proposed by Hon’ble CERC states about connectivity at terminal bay of an ISTS sus-station. We wish to appraise Hon’ble CERC for allowing such provisions and making interstate open access more viable solutions for private players.</p> <p>We wish to request Hon’ble Commission to include provisions advising <u>CIU to publish list of substations available</u> for ISTS connectivity across India on half yearly basis, which will help interested applicants in proper planning and execution of projects.</p>

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7	<p><i>17.1. The following entities shall be eligible as Applicants to apply for grant of GNA or for enhancement of the quantum of GNA:</i></p> <p><i>(i) State Transmission Utility on behalf of distribution licensees connected to intra-State transmission system and other intra-State entities.</i></p> <p><i><u>(ii) A buying entity connected to intra-State transmission system;</u></i></p>	<p>This is to be submitted that Clause 17 of Draft GNA Regulation as proposed by Hon'ble CERC states about eligibility conditions for GNA. As per sub-Clause 17.1 (ii) any buying entity connected with intra-state transmission system are also eligible for GNA to ISTS.</p> <p>We wish to submit that as per above Clause 17.1 it may be interpreted that any buying entity with any load are eligible for GNA to ISTS if it is connected to intra-State transmission network. In this regard we wish to submit that if provisions related to minimum load conditions included for such buying entities, then it will bring more clarity.</p> <p>We further wish to submit that if buying entity definition included in Draft GNA Regulations then future legal miss interpretation risks may be avoided.</p>



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