

Date: 27.02.2023

Ref: GEPL/CERC/27/02

To,
Secretary
Central Electricity Regulatory Commission
3rd & 4th Floor, Chanderlok Building,
36, Janpath, New Delhi - 110001

Subject: Comments on Draft CERC (Connectivity and General Network Access to the Inter-State Transmission System (First Amendment) Regulations, 2023

Reference: Public Notice dated 27.01.2023 and 16.02.2023 (notification No. L-1/261/2021/CERC) inviting written suggestions / objections/ comments from stakeholders

Respected Sir,

This is with reference to the Public Notice dated 27.01.2023 and 16.02.2023 issued by Hon'ble Commission for inviting written suggestions/ objections/ comments from stakeholders on draft CERC (Connectivity and General Network Access to the Inter-State Transmission (First Amendment) Regulations, 2023.

Amplus Solar is Asia's leading distributed energy company providing low-carbon clean energy solutions to commercial and industrial customers by setting up on-site solar projects (rooftop and ground-mounted) and off-site solar farms. Amplus Solar has also diversified into new avenues such as battery storage, residential solar, and electric vehicle-based logistics solutions. Amplus Solar owns and manages a portfolio of over 1 GW of distributed solar assets and serves 250+ renowned Indian and multinational firms like Yamaha, Cisco, Amazon, Walmart, Reckitt Benckiser, Schlumberger, Carlsberg, ABB, TVs, Schneider, Qualcomm, Halliburton, GE, Honda among others, tripling its customer base from 2017 to 2023.

Amplus Solar's operational plants are expected to cumulatively generate 22 billion units of electricity over their lifetime. The carbon dioxide abatement over the lifetime of these projects



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amounts to 21 million metric Tonnes and the environmental impact can also be equated to 24 million mature trees absorbing carbon dioxide for 40 years.

Amplus Solar is a member of the Petroleum Nasional Berhad (PETRONAS) group, Malaysia and is headquartered in Gurugram, India with regional offices in Bangalore, Mumbai, Pune, Bangkok, Dubai, and Kuala Lumpur. PETRONAS recently established Gentari Sdn Bhd (GENTARI) to independently pursue and deliver integrated sustainable energy solutions, and to capture opportunities in the energy transition. GENTARI offers lower carbon solutions through three initial core pillars – Renewable Energy, Hydrogen and Green Mobility, forming a portfolio of solutions cutting across the electron value chain to help customers achieve net zero emissions.

We are hereby submitting our comments under **Annexure 1** on above referred subject for kind consideration of the Hon'ble Commission

Thanking you

For Grian Energy Pvt. Ltd.

Vivek Ranjan

**Vivek Ranjan
Manager - Regulatory**



Annexure-1

Comments on Central Electricity Regulatory Commission Draft (Connectivity and General Network Access to the Inter-State Transmission System) (First Amendment) Regulations, 2023

S. No.	Regulation/ Clause No.	Draft Regulation Title	Provisions in Draft Regulations	Comments
1.	5.8(xi)(b)	Amendment to Regulation 5.8 of the Principal Regulations – Application for grant of Connectivity	<p>New Clause namely, clause (xi) shall be added after clause (x) of Regulation 5.8 of the Principal Regulations as under:</p> <p>(xi) In case of Applicants which are REGS (Other than Hydro generating station) or ESS (excluding Pumped Storage Plant (PSP)) the following documents shall be submitted:</p> <p>(a) Letter of Award (LOA) by, or Power Purchase Agreement (PPA) entered into with, a Renewable Energy Implementing Agency or a distribution licensee or an authorized agency on behalf of distribution licensee consequent to</p>	<p>It is observed from Explanatory Memorandum (EM) that the Hon'ble Commission has proposed to introduce Regulation 5.8(xi)(b) to avoid squatting of connectivity and to promote serious players. With regards to same, it is submitted that the Hon'ble Commission has already introduced requirement to provide Conn BG-3 of Rs. 2 lakh/MW where augmentation is not required or commensurate Conn BG-2 where augmentation is required, as the case may be, which was not present in the previously applicable CERC (Grant of Connectivity, LTOA and MTOA in inter State Transmission and related matters) Regulations, 2009 and</p>

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			<p>Tariff based competitive bidding, as the case may be:</p> <p>Provided that in case of Applicants being multi-located REGS, the details of locations and capacity at each location, duly certified by the Renewable Energy Implementing Agency or the distribution licensees, as the case may be, shall be submitted.</p> <p>Or</p> <p>(b)</p> <p>i. <u>Registered Title Deed as a proof of Ownership or lease rights or land use required for 50% of the land required for the capacity for which connectivity is sought; and</u></p>	<p>Revised Procedure for Grant of Connectivity to Projects based on Renewable Sources to Inter-State transmission System. Such requirement, would encourage only serious players to apply for connectivity. Further, it is pertinent to mention that acquiring and leasing of 50% land normally takes around 6 months' time. Therefore, including additional requirement of providing registered title deed as a proof of ownership or lease rights or land use rights for 50% of the land required for the capacity for which connectivity is sought, at the time of filing of application for grant of connectivity would impose additional risk on project developer and could lead to situation, wherein, time, money and efforts made for such activity would not even fructify, if the grant of connectivity is denied due to any reason, whatsoever.</p>



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			ii. <u>Auditor's certificate certifying the release of at least 10% of the project cost including the land acquisition cost through equity.</u>	<p>Therefore, it is requested to the Hon'ble Commission that the condition to submit registered Title Deed as a proof of Ownership or lease rights or land use rights for 50% of the land required for the capacity for which connectivity is sought, should be removed.</p> <p>Instead of the above, the Hon'ble Commission is requested to kindly allow submission of land documents and Financial Closure documents or Auditors Certificate, as the case may be, within twelve months from grant of final connectivity or nine months prior to SCOD of substation, whichever is later.</p> <p>With respect to Regulation 5.8(xi)(b)(ii), it is requested to the Hon'ble Commission to provide option to either submit the financial closure of the project (with copy of</p>

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				<p>sanction letter) or auditor's certificate certifying the release of at least 10% of the project cost including the land acquisition cost (if any), through the equity as was allowed under the CERC (Grant of Connectivity, LTOA and MTOA in inter State Transmission and related matters) Regulations, 2009 and applicable Revised Procedure for Grant of Connectivity to Projects based on Renewable Sources to Inter-State transmission System.</p> <p>Therefore, in view of the above, we request the Hon'ble Commission to modify the Regulation 5.8(xi)(b) with below provision {5.8(xi)(b)(i) to be deleted};</p> <p><i>“Financial closure of the project (with copy of sanction letter) or Auditor's certificate certifying the release of at least 10% of the project</i></p>

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2.	9.3	A new Regulation, namely, Regulation 9.3 shall be added after Regulation 9.2 of the Principal Regulations – Final Grant of Connectivity by the Nodal Agency	<p>A new Regulation, namely, Regulation 9.3 shall be added after Regulation 9.2 of the Principal Regulations as under:</p> <p><u>“9.3 An applicant which is REGS (other than Hydro generating station), ESS (excluding PSP) or Renewable power park developer to which final grant of connectivity has been issued, shall have to achieve the financial closure for the capacity of such connectivity, (a) within a period of 12 months from the date of issuance of final grant of connectivity, if the start date of connectivity is within 2 years from date of issuance of final grant of connectivity or (b) a period equivalent to 50% time period between issue of final grant of connectivity and start date of</u></p>	<p><i>cost including the land acquisition cost, if any, through equity.”</i></p> <p>In regard to Regulation 9.3 it is submitted that Hon’ble Commission may stipulate the following requirements for the applicant:</p> <p>i. to achieve the financial closure for the capacity of such connectivity or submit auditor’s certificate certifying the release of at least 10% of the project cost including the land acquisition cost, if any, through equity, as the case may be,</p> <p>ii. to submit Registered Title Deed as a proof of Ownership or lease rights or land use rights for 50% of the land required for the capacity for which connectivity is sought;</p> <p>Both the aforesaid requirements shall be fulfilled as per following timelines:</p>



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			<p><u>connectivity, if the start date of connectivity is more than 2 years from date of issuance of final grant of connectivity:</u></p> <p>Provided that such an applicant shall submit proof of Financial Closure of the project (with copy of loan sanction letter or proof of first disbursement of loan amount) to CTU within 15 days of achieving the financial closure.</p> <p>Provided further that if the connectivity grantee fails to achieve the financial closure within the stipulated time as per this regulation or fails to submit the copy of financial closure as per first proviso to this regulation Connectivity shall be revoked 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>(a) within a period of 12 months from the date of issuance of final grant of connectivity, if the start date of connectivity is within 2 years from date of issuance of final grant of connectivity or within nine months prior to SCOD of substation at which connectivity is granted, whichever is later</p> <p>or</p> <p>(b) a period equivalent to 50% time period between issue of final grant of connectivity and start date of connectivity, if the start date of connectivity is more than 2 years from date of issuance of final grant of connectivity or within nine months prior to SCOD of substation at which connectivity is granted, whichever is later</p>



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				<p>as was allowed under the CERC (Grant of Connectivity, LTOA and MTOA in inter State Transmission and related matters) Regulations, 2009 and applicable Revised Procedure for Grant of Connectivity to Projects based on Renewable Sources to Inter-State transmission System.</p> <p>Therefore, in view of the above, we request the Hon'ble Commission to modify the Regulation 9.3 with below provision:</p> <p><i>“9.3 An applicant which is REGS (other than Hydro generating station), ESS (excluding PSP) or Renewable power park developer to which final grant of connectivity has been issued, shall have to achieve the following milestones:</i></p>

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				<p>i. to achieve the financial closure for the capacity of such connectivity or submit auditor's certificate certifying the release of at least 10% of the project cost including the land acquisition cost, if any, through equity, as the case may be,</p> <p>ii. to submit Registered Title Deed as a proof of Ownership or lease rights or land use rights for 50% of the land required for the capacity for which connectivity is sought;</p> <p>The aforesaid milestones shall be fulfilled as per following timelines:</p> <p>(a) within a period of 12 months from the date of issuance of final grant of connectivity, if the start date of connectivity is within 2 years from date of issuance of final grant of connectivity or within nine months prior to SCOD of substation at</p>



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				<p><i>which connectivity is granted, whichever is later</i></p> <p><i>or</i></p> <p><i>(b) a period equivalent to 50% time period between issue of final grant of connectivity and start date of connectivity, if the start date of connectivity is more than 2 years from date of issuance of final grant of connectivity or within nine months prior to SCOD of substation at which connectivity is granted, whichever is later.”</i></p> <p><i>Explanation: The applicants covered under Regulation 5.8(xi)(b) shall have to achieve the milestone as per Regulation 9.3(i) in the following manner:</i></p> <p><i>i. In case of an entity who has submitted the proof of release of at</i></p>

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				<p>least 10% of the project cost including the land acquisition cost, if any, through equity, duly supported by Auditor's certificate in accordance with Regulation 5.8(xi)(b), shall submit documents regarding achievements of financial closure.</p> <p>ii. In case of entity who has submitted documents regarding achievement of financial closures in accordance with Regulation 5.8(xi)(b), shall submit the proof of release of at least 10% of the project cost including the land acquisition cost, if any, through equity, duly supported by Auditor's certificate.</p>
3.	17.1	A new clause to Regulation 17.1 of the Principal Regulation – Eligibility for GNA	A new clause, namely, (vi) shall be added after the clause (v) to the Regulation 17.1 of the Principal Regulations as under:-	In regard to Eligibility for GNA, it is submitted that Hon'ble Commission has added a new clause (vi) after the clause (v) to the Regulation 17.1 of the Principal Regulation wherein an injecting entity which is granted



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			<p>“(vi) An injecting entity which is granted Connectivity to intra-State transmission system and seeking GNA for purpose of injecting to ISTS.”</p>	<p>connectivity to intra-state transmission system and seeking GNA for purpose of injecting to ISTS. However, after reading Regulation 17.1 of the Principal Regulations and amendment proposed by CERC in its first amendment to CERC (Connectivity and General Network Access to the Inter-State Transmission System) Regulations, 2022 nowhere defines the proviso in case drawee entity connected to a distribution network of the distribution licensee shall be eligible to apply for grant of GNA under Regulation 17.1 or not.</p> <p>Therefore, Hon’ble Commission is requested to kindly provide the clarification whether drawee entity connected to a distribution network of the distribution licensee shall be eligible to apply for grant of GNA under Regulation 17.1 of the CERC</p>

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4.	20.4	New Regulation 20.4 – Application for Grant of GNA by entities other than STU	<p>16.1 A new Regulation 20.4 shall be added after Regulation 20.3 of the Principal Regulations as under:</p> <p>20.4 Entities covered under clause (iii) of Regulation 17.1 of these Regulations shall be eligible to apply for GNA to draw power only from renewable sources as identified at clause (2) of the Regulation 13 of the</p>	<p>(Connectivity and General Network Access to the Inter-State Transmission System) Regulations, 2022 or not. Further, if there is no such provision under Regulation 17.1 in such case Hon'ble Commission is requested to add a new clause as clause (vii) after clause (vi) to Regulation 17.1 of the Principal Regulation as per below provision:</p> <p><i>(vii) A drawee entity connected to distribution network of distribution licensee;</i></p> <p>In accordance with the said provision of new Regulation 20.4 towards eligibility of entities covered under clause (iii) of Regulation 17.1 to apply for GNA to draw power only from renewable sources as identified at clause (2) of the Regulation 13 of the Sharing Regulations and such GNA shall be called as GNARE.</p>



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			<p>Sharing Regulations. Such GNA shall be called as GNARE for purpose of calculation of transmission charges in accordance with the Sharing Regulations. For purpose of these regulations GNARE shall be same as GNA:</p> <p>Provided that if such an entity with GNARE intends to draw power from the sources other than the sources identified as clause (2) of the Regulation 13 of the Sharing Regulations, it may:</p> <ul style="list-style-type: none"> a) apply for grant of additional GNA; or b) it may convert GNARE into GNA by an application to the Nodal Agency 	<p>It is humbly submitted to the Hon'ble Commission to allow the entities covered under clause (i), (ii) and (vii) (as proposed at serial no. 3 of this document) in addition to clause (iii) of Regulation 17.1 of the Principal Regulations to take GNARE in case they intend to draw power from renewable sources as identified at clause (2) of the Regulation 13 of the Sharing Regulation because restricting eligibility of GNARE only to clause (iii) of Regulation 17.1 of the Principal Regulation will curb the eligibility of entities to apply and seek non-discriminatory open access at ISTS.</p> <p>Further, it is requested to the Hon'ble Commission to kindly clarify that the eligible entity shall be allowed to take two separate instruments, which are GNARE and GNA.</p>



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				<p>Accordingly, we request the Hon'ble Commission to modify clause 20.4 as per below mentioned clause:</p> <p><i>“16.1 A new Regulation 20.4 shall be added after Regulation 20.3 of the Principal Regulations as under:</i></p> <p><i>20.4 Entities covered under clauses (i), (ii), (iii) & (vii) of Regulation 17.1 of these Regulations shall be eligible to apply for GNA to draw power only from renewable sources as identified at clause (2) of the Regulation 13 of the Sharing Regulations. Such GNA shall be called as GNARE, for purpose of calculation of transmission charges in accordance with the Sharing Regulations. For purpose of these regulations GNARE shall be same as GNA:</i></p> <p><i>Provided that if such an entity with GNARE intends to draw power from</i></p>



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5.	24.6 (1) (a) & (c)	New Regulation 24.6 – Revocation of Connectivity	<p>A new Regulation, namely, Regulation 24.6 shall be added after Regulation 24.5 of the Principal Regulations as under:</p> <p>“24.6 Revocation of Connectivity</p> <p>(1) (a) Connectivity shall be revoked for the corresponding capacity, if the connectivity grantee fails to achieve COD either in full or in parts on or before,</p>	<p><i>the sources other than the sources identified as clause (2) of the Regulation 13 of the Sharing Regulations, it may:</i></p> <p>a) <i>apply for grant of additional GNA; or</i></p> <p>b) <i>it may convert GNARE into GNA Agency”</i></p> <p>In regard to new Regulation 24.6, it is submitted that the Commission may specify the treatment of Revocation of connectivity in case there is a delay in achieving SCOD on account of Force Majeure Events and Change in Law event occurred like COVID-19, Forced Outage, change in Policy & Regulatory framework etc.</p> <p>In accordance with Regulation 24.6 (1) (a) Hon’ble Commission has made a provision towards revocation of connectivity for the corresponding</p>



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			<p>The scheduled date of commercial operation of the generation project, for cases covered under clause (xi)(a) of the Regulation 5.8, as intimated at the time of making application for grant of connectivity or as extended or delayed commissioning permitted by the Renewable Energy Implementing Agency or the distribution licensee or the authorized agency on behalf of distribution licensee, as the case may be.</p> <p><u>Six months after the scheduled date of commercial operation as intimated at time of making application for grant of connectivity, for cases covered under clause (xi)(b) of the Regulation 5.8</u></p> <p>(b) In case of Applicants which have been granted connectivity under</p>	<p>capacity, if the connectivity grantee fails to achieve COD either in full or in parts on or before the six months after the scheduled date of the commercial operation as intimated at time of making application for grant of connectivity for the cases covered under clause (xi)(b) of the Regulation 5.8.</p> <p>However, in this regard it is submitted that the Hon'ble Commission is requested to allow twelve months timeline to the connectivity grantee after the SCOD for achieving the COD of the project either in full or in parts failing which connectivity shall be revoked because after getting connectivity, project developer is required to take various steps like acquisition and leasing of land, Financial Closure of projects, tying-up PPA with consumers, Regulatory hurdles in getting open-access</p>

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			<p>clause (xi)(b) of the Regulation 5.8 but are subsequently covered under clause (xi)(a) of the Regulation 5.8, the last date for declaration of COD shall be the SCOD of the project or as extended or delayed commissioning permitted by the Renewable Energy Implementing Agency or the distribution licensee or the authorized agency on behalf distribution licensee, as the case may be.</p> <p><u>(c) Connectivity granted to an REGS (other than Hydro generating station) or ESS (excluding PSP) shall be revoked, if LOA or PPA on basis of which Connectivity was granted, is terminated prior to the COD of the project.</u></p> <p>(d) Connectivity granted to a Renewable Power Park developer shall be revoked for the</p>	<p>approval etc. Therefore, Hon'ble Commission is requested to kindly modify the Regulation 24.6(1)(a) as per below provision:</p> <p><i>"24.6 Revocation of Connectivity</i></p> <p><i>(1)</i></p> <p><i>(a) Connectivity shall be revoked for the corresponding capacity, if the connectivity grantee fails to achieve COD either in full or in parts on or before,</i></p> <p><i>The scheduled date of commercial operation of the generation project, for cases covered under clause (xi)(a) of the Regulation 5.8, as intimated at the time of making application for grant of connectivity or as extended or delayed commissioning permitted by the Renewable Energy Implementing Agency or the</i></p>

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			<p>corresponding capacity, if the generating station(s) within the Power park fails to achieve COD on or before,</p> <p>i. Scheduled date of commercial operation of the generation project as per LOA or PPA as extended or delayed commissioning permitted by the Renewable Energy Implementing Agency or the distribution licensee or the authorized agency on behalf of distribution licensee, as the case may be.</p> <p>ii. Six months after the scheduled date of commercial operation for generating station(s) being</p>	<p><i>distribution licensee or the authorized agency on behalf of distribution licensee, as the case may be.</i></p> <p><i>“Twelve months after the scheduled date of commercial operation as intimated at time of making application for grant of connectivity, for cases covered under clause (xi)(b) of the Regulation 5.8”</i></p> <p>Further, Commission at sub-clause (c) of clause 1 of Regulation 24.6 has made a proviso towards revocation of connectivity granted to an REGS (other than Hydro generating station) or ESS (excluding PSP) in case LOA or PPA on basis of which connectivity was granted, is terminated prior to the COD of the project. In this regard, it is submitted that the Hon’ble Commission may clarify whether the</p>



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			<p>set up without LOA or PPA.</p> <p>(2) In case of revocation of Connectivity under subclauses (a) to (d) of Clause (1) of this regulation, Conn-BG-1, Conn-BG-2 and Conn-BG-3 shall be dealt with in terms of the Regulation 24.2 or Regulation 24.3 of these regulations, as applicable.”</p>	<p>Regulation 24.6(1)(c) shall be applicable for those applicants which have been granted connectivity under clause 5.8 (xi)(a) or 5.8 (xi)(b) of the proposed amended Regulation to the Principal Regulation.</p> <p>It is understood that the Hon'ble Commission has drafted this proviso of Regulation 24.6(1)(c) for applicants falling under Regulation 5.8(xi)(a) i.e. for those REGS (other than Hydro generating station) or ESS (excluding PSP) who are supplying power to DISCOMs under LOA or PPA regime. Therefore, it is understood that this proviso of Regulation 24.6(1)(c) should only be applicable for those applicants which have been granted connectivity under clause 5.8(xi)(a).</p>

