

NATIONAL SOLAR ENERGY FEDERATION OF INDIA

Regd. No. 362 / IV of 8 May, 2013

भारतीय सौर ऊर्जा महासंघ

पंजीकरण नं 362 / IV - 8 मई, 2013

NSEFI/CERC/2022-23/205 Date: 16.02.2023

To
The Secretary,
Central Electricity Regulatory Commission
3rd & 4th Floor, Chanderlok Building,

36, Janpath, New Delhi-110001.

Sub: Amendments to certain clauses in the "Central Electricity Regulatory Commission (Connectivity and General Network Access to the inter-State Transmission System) Regulations, 2023.

Ref:

- 1. Connectivity and General Network Access to the inter-State Transmission System) Regulations, 2022 vide No. L-1/261/2021/CERC, dated 07.06.2022.
- 2. Connectivity and General Network Access to the inter-State Transmission System (First Amendment) Regulations, 2023 vide No. L-1/261/2021/CERC, dated 27.01.2023.

Dear Sir,

We are writing this letter to your good offices pursuant to the amendment vide draft notification dated 27.01.2023. We invite your kind attention to the following notified as a part of the 1st amendment of Central Electricity Regulatory Commission (Connectivity and General Network Access to the inter-State Transmission System) Regulations, 2022. The clauses 4.1 and 4.2 of the amendment are given below for ease of reference –

- "4.1. Clause (vii) of Regulation 5.8 of the Principal Regulations shall be substituted as under:
- (vii) In case of Renewable Power Park Developer, the following documents shall be submitted:
- (a) authorisation by the Central Government or the State Government, as applicable, to undertake infrastructural activities including arrangement for Connectivity on behalf of solar power generators or wind power generators; and
- (b) 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; and
- (c) Auditor's certificate, certifying the release of at least 10% of the project cost including the land acquisition cost through equity."

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"4.2. New clause namely, clause (xi) shall be added after clause (x) of Regulation 5.8 of the Principal Regulations as under:

- "(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:
- (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 tariff based competitive bidding, as the case may be:

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 licensee, as the case may be, shall be submitted.

Or

(b)

- (i) 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; and
- (ii) Auditor's certificate, certifying the release of at least 10% of the project cost including the land acquisition cost through equity."

As per clauses 4.1 and 4.2 abovementioned, it becomes pertinent to note that the prerequisites for seeking connectivity is that either the applicant has to submit LoA or the PPA or the Applicant must have a registered title deed as a proof of ownership or lease rights or land use rights for 50% of the land and auditor's certificate certifying release of at least 10% of project cost including land acquisition cost through equity.

While these being the pre-requisites, we would like to bring this to your kind attention that there will be cases where certain developers participate in tenders floated by the bidding agencies and win who will then receive Letter of Award and enter into PPAs with Renewable Energy Implementing Agencies or distribution licensees. However, there will also be another set of developers who do not participate but choose to acquire land with either ownership or lease rights or land use rights for 50% to acquire connectivity. Therefore, the challenge here is that if the developers choose to acquire and keep acquiring land enough to showcase 50% of land use rights it takes about a minimum of 06 months by which time the developers who won in the tender process would receive LoAs and shall be eligible to seek the connectivity as well. As you are aware the bidding for the projects is happening only for the Substations proposed by the CTUIL, this puts the developers who depend on the 50% land use rights criteria in a disadvantageous position as they would be in a process of investing their time and money into such an acquisition.

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Therefore, we suggest that a new amendment be brought which adds a Bank Guarantee of INR 5,00,000 per MW to seek connectivity along with the application fees instead of clause 4.1.(b) and (c) and 4.2.(b)(i) and (ii) which suggests the developer to show 50% land use rights for seeking connectivity and auditor's certificate to show at least 10% the project cost including the land acquisition cost through equity.

Once the developer proves his strength of 50% land use rights within 6 months of submission of the BG, this BG may be returned to the developer and show 100% land use rights within 12 months. This amendment, if brought, will be a measure to be inclusive towards all the developers and also a security mechanism while according connectivity.

Thus, we request your good offices to kindly consider our request to balance out the interest of all the developers.

With Best Regards,

Subrahmanyam Pulipaka

Chief Executive Officer

National Solar Energy Federation of India

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New Delhi 110017

Copy to:

- 1. The Secretary to Government of India, Ministry of New & Renewable Energy (MNRE), Atal Akshay Urja Bhawan, CGO Complex, Lodhi Road, New Delhi.
- 2. The Joint Secretary (Transmission, Green Energy Corridor), Ministry of New & Renewable Energy, Atal Akshay Urja Bhawan, CGO Complex, Lodhi Road, New Delhi.
- 3. The Joint Chief (Engineering), Central Electricity Regulatory Commission, 3rd & 4th Floor, Chanderlok Building, 36, Janpath, New Delhi- 110001.