

**CENTRAL ELECTRICITY REGULATORY COMMISSION  
NEW DELHI**

**Petition No.9/MP/2024**

- Subject : Petition under Section 79 of the Electricity Act, 2003 read with Regulation 42 of the Central Electricity Regulatory Commission (Connectivity and General Network Access to the inter-State Transmission System) Regulations, 2022 praying before this Commission to exercise its powers to “Remove Difficulty” on account of the difficulties arising in giving effect to Regulation 11A(4) read with Regulation 11A(1) of the GNA Regulations, 2022 which was inserted in the GNA Regulations, 2022 vide Central Electricity Regulatory Commission (Connectivity and General Network Access to the inter-State Transmission System) (First Amendment) Regulations, 2023 issued by this Commission on 1.4.2023.
- Petitioners : ACME Cleantech Solutions Private Limited and Anr.
- Respondent : Central Transmission Utility of India Limited (CTUIL)
- Date of Hearing : **14.2.2024**
- Coram : Shri Jishnu Barua, Chairperson  
Shri Arun Goyal, Member  
Shri P. K. Singh, Member
- Parties Present : Shri Buddy Ranganadhan, Advocate, ACME  
Ms. Mannat Waraich, Advocate, ACME  
Ms. Ananya Goswami, Advocate, ACME  
Ms. Shefali Tripathi, Advocate, ACME  
Shri Siddharth Sharma, CTUIL

**Record of Proceedings**

Learned counsel for the Petitioners submitted that the present Petition has been filed praying before this Commission to exercise its powers to “Remove Difficulty” under Regulation 42 of the Central Electricity Regulatory Commission (Connectivity and General Network Access to the inter-State Transmission System) Regulations, 2022 (“GNA Regulations”) to remove the difficulties arising in giving effect to Regulation 11A(4) read with Regulation 11A(1) of the GNA Regulations, which was inserted vide First Amendment to GNA Regulations. Learned counsel mainly submitted the following:

- (a) On 22.9.2023, Petitioner No.2, a subsidiary company of Petitioner No.1, submitted its application to the Respondent, CTUIL, for grant of the Connectivity for 400 MW through Bank Guarantee (BG) route for its Solar Power Project in Devbhumi Dwarka, Gujarat. For the said application, the Petitioner also submitted a BG of Rs. 40 crore (Rs. 10 lakh/MNW) to CTUIL and CTUIL, by its letter dated 17.11.2023, granted the in-principle Connectivity for 400 MW.

(b) Additionally, Petitioner No.1 also applied for the Connectivity for the 350 MW Solar Project at Kutch, Gujarat, through the BG route; the 600 MW Solar Project at Jaisalmer, Rajasthan, through the BG route; the 250 MW Solar Project at Jaisalmer, Rajasthan through the Letter of Award (LoA) route, and 50 MW Solar Project at Kutch, Gujarat through the LoA route.

(c) In the meantime, Petitioner No.1 was issued LoA dated 24.11.2023 by SJVNL Limited for a contracted capacity of 250 MW (firm & dispatchable power) having blended project capacity/installed capacity of 225 MW (later revised to 250 MW) solar component at Barmer, Rajasthan; 350 MW wind component and 63 MWh ESS component at Gujarat. Pursuant to the exercise of Greenshoe Option, SJVNL, vide its letter dated 5.12.2023, awarded Petitioner No.1 an additional contracted capacity of 320 MW.

(d) In view of the aforesaid LoAs, Petitioner No.2 vide its letter dated 6.12.2023, *inter alia*, requested CTUIL to convert the approved Connectivity at Jam Khambaliya PS for 400 MW Solar without ESS applied on the Land BG route to 400 MW Wind with ESS on the LoA route. Moreover, while submitting the said LoA, Petitioner No.2 also requested the CTUIL to return the BG submitted under Regulation 11A(1) of the GNA Regulations. However, since BG, as well as an in-principle grant of the Connectivity, was in the name of Petitioner No.2, whereas the LoA was issued to the parent company, i.e. Respondent No.1, CTUIL refused to accept the LoA submitted by Petitioner No.2 for return of the BG.

(e) However, the proviso to Regulation 15.1 of the GNA Regulations clearly envisages that the Connectivity granted to a parent company can be utilized by its subsidiary and vice versa. Moreover, the Bid documents and LoA also provided that bids can be submitted by the parent company and the actual execution can be carried out by the subsidiary/SPV of such companies, and accordingly, the LoAs are issued in the name of the parent company.

(f) Subsequently, the Petitioner No.1 vide its letter dated 20.12.2023 had also requested the CTUIL to partially convert the Connectivity of 600 MW granted earlier to the Petitioner No.1 at Fatehgarh II PS under BG route to 350 MW Solar under the LoA route. However, CTUIL, by its letter dated 26.12.2023, rejected the request of Petitioner No.1 for partial conversion of its Connectivity application from the land BG route to the LoA route, stating that provisions of Regulation 11(A)(4) do not provide for partial conversion.

(g) BG route provided in the GNA Regulations for securing the Connectivity requires the applicant to submit either LoA/PPA or 50% of land documents within 180 days from the grant of Connectivity. The entities participating in the bid and securing LoA may get capacity equal to or less than the Connectivity quantum granted to the BG route, and in such cases, entities would submit the LoA for the capacity that it won under the bid to CTUIL for conversion of the Connectivity of such quantum granted under BG route to the LoA route while the balance connectivity quantum will still remain under BG route for which it will have to either submit separate LoA or 50% land documents within 180 days of grant.

(h) No prejudice will be caused to CTUIL if the Petitioners are allowed to convert their Connectivity partially since the remaining Connectivity shall remain secure with the remaining BG already submitted. Moreover, such partial conversion of

the Connectivity from the BG route to the LoA route has not been explicitly restricted in any manner under the GNA Regulations.

(i) The Petitioners be permitted to place on record the CTUIL's letter dated 23.1.2024 whereby CTUIL has rejected the Petitioners' request for a change of the Connectivity from the BG route to the LoA route.

2. The representative of Respondent, CTUIL, submitted that in terms of Regulation 11A (4) of the GNA Regulations, the applicants who have been granted the Connectivity (Connectivity Grantee) under the land route or BG route but are subsequently covered under the LoA route are required to furnish same documents as applicable to the entities covered under the LoA route. However, in the present case, the LoA has been issued in favour of Petitioner No.1, the Parent Company, whereas the Connectivity Grantee is Petitioner No.2, a subsidiary company of the Parent Company. The representative of CTUIL submitted that since the LoA submitted was not in favour of the Connectivity Grantee, i.e. Petitioner No.2, the request for conversion was not considered as per the GNA Regulations. The representative of CTUIL further added that insofar as partial conversion of Connectivity is concerned, the GNA Regulations do not specifically contain any provisions on the above aspect, and if it is allowed, it may create a situation wherein for a single Connectivity, separate compliances for different routes may need to be observed.

3. Considering the submissions made by the learned counsel for the Petitioner and the representative of CTUIL, the Commission admitted the matter and directed the Respondent, CTUIL, to file its brief reply in the matter, if any, within a week with a copy to the Petitioner, who may file its rejoinder, if any, within a week thereafter. The Petitioner was also permitted to file the CTUIL's letter dated 23.1.2024, as referred to during the course of the hearing, along with its rejoinder.

4. Keeping in view the issues involved in the matter being brief and both sides had already made their respective submissions thereon, the Commission did not find any need for a further oral hearing in the matter and reserved the matter for order. However, upon the request of the learned counsel for the Petitioner, the Commission permitted the Petitioner to make a request for an oral hearing, if required, by 27.2.2024 after examining the reply filed by the Respondent, CTUIL.

**By order of the Commission**

**Sd/-  
(T.D. Pant)  
Joint Chief (Law)**

