

Ref.: APL/CERC/08032024

Date: 08.03.2024

To
The Secretary,
Central Electricity Regulatory Commission,
3rd and 4th Floor, Chanderlok Building,
36 Janpath, New Delhi – 110001

Sub.: Submission of comments on the Draft CERC (Connectivity and General Network Access to the Inter-State Transmission System) (Second Amendment) Regulations 2024, sought vide Notification No. L-1/261/2021/CERC dated 16.02.2024.

Dear Sir,

We appreciate the steps taken by the Hon'ble Commission to address the procedural issues and for removal of difficulties through the Second Amendment to the Connectivity and General Network Access to the Inter-State Transmission System Regulations 2024.

With reference to the comments invited by the Hon'ble Commission on the Draft CERC (Connectivity and General Network Access to the Inter-State Transmission System) (Second Amendment) Regulations 2024, we hereby submit our comments on the same with a request to kindly take the same on record.

Thanking You,
Yours Sincerely,

For **Adani Power Limited**



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President

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Comments and suggestions on draft CERC (Connectivity and GNA to ISTS) (Second Amendment) Regulations, 2024

Clause	Draft Proposal	APL suggestion	Justification
Amendment to Regulation (vii) of 5.8 of the Principal Regulations:	5.8(vii) (d) Government Order issued by the concerned Government for allotment of the land along with possession documents for 100% of the land required for the capacity for which Connectivity is sought.	It is suggested to regularize the opening para of regulation 5.8(vii) incorporating the inclusion of proposed new sub clause (VII)(d) as suggested here under: 5.8(vii) In case of Renewable Power Park Developer, the documents shall be submitted in combination of clauses (a) and (b) or combination of clauses (a) and (c) <u>or clauses (d)</u> as specified hereunder: (a) (b) (c) (d)	As per the clause (vii) of Reg 5.8 as amended in 1 st Amendment, in case of renewable power park developer, the documents shall be submitted in combination of clauses (a) and (b) or combination of clauses (a) and (c). Now, with addition of sub-clause (d) opening para of clause (vii) needs to incorporate the provisions of proposed para (d) for submission of documents. In view of the above, it is requested to add applicability of sub-clause (d) under opening para of clause (vii) of Reg 5.8.

In addition to above, following comments/ suggestions is also being submitted for kind consideration which are not the part of proposed amendment no.2:

Clause	Existing Provision	Proposed Suggestion	APL Comments
5.5	An Applicant, which is a Renewable Power Park Developer, shall apply for grant of Connectivity <u>for the</u>	An Applicant, which is a Renewable Power Park Developer, shall apply for grant of Connectivity <u>up to the</u>	Various Renewable Power parks have been allocated by the Competent Authority for the development of various renewable energy-based power projects with huge capacities.

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Clause	Existing Provision	Proposed Suggestion	APL Comments
	<p>quantum for which it has been authorized by the Central Government or a State Government as a Renewable Power Park developer.</p>	<p>quantum either in parts or full for which it has been authorized by the Central Government or a State Government as a Renewable Power Park developer.</p>	<p>RE park is mainly considered as a concentrated zone of development of renewable energy/power generation projects on plug and play basis which provides proper infrastructure to RE project developers viz. Land, Evacuation system and access to various other ancillary amenities in order to minimize the risk of RE projects to be developed within the park. RE Parks also facilitate RE developers in number of required approvals which are being taken care of by the park itself.</p> <p>It can be appreciated that the cumulative capacity of park cannot be developed at once but in phase manner connectivity usually being sought in phased manner based upon the visibility of the RE project to be set up within park.</p> <p>Further, RE park developer is responsible for the proper evacuation of the power from the proposed renewable energy power projects to be developed by RE power developer, and thus cannot apply for connectivity for full park capacity without having any upfront visibility of the timelines of completion of RE power projects to be developed inside the park. Therefore, as, and when there is a visibility towards the completion of RE power projects to be developed in the park, RE park developer would be able to apply for the respective connectivity.</p>

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			<p>While a plain reading of Regulation 5.5 does not specifically provide that the connectivity by the Renewable Power Park Developer has to be sought for the entire allocated quantum at one go. However, CTUIL is not entertaining such connectivity application of park developer applied in parts or for the lesser capacity citing the reason that park developer can apply for connectivity for the full park capacity only.</p> <p>Further, CERC on various occasions has directed CTUIL to plan the transmission evacuation system matching with the completion/ readiness of RE generating power projects for which such transmission systems have been envisaged for evacuation of power. Hence, in case, RE park developer are required to apply for full capacity upfront (in one go) without taking in to account the visibility on readiness of renewable energy power projects on behalf of which such connectivity is being applied, there would be chances of underutilization of system of national interest and may lead to stranding of capacity on account of mismatch between availability of transmission evacuation system and the commissioning of power project.</p>

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			<p>Section 38 of the EA 2003 mandates development of inter-state transmission system in coordinated manner which would avoid the mismatch issue and underutilization of ISTS system.</p> <p>Further, there could further be instances where the park developer may not be required to apply for entire capacity as allocated to park developer when the Park is being developed for hybrid RE technology including solar/ wind components with/without ESS. In such case, mandating park developers to apply connectivity for full quantum should not be recommended.</p> <p>In view of the above, it is requested to allow submission of connectivity applications by park developer and subsequent grant of same by CTUIL in phased manner up to the capacity allocated to RE park.</p>
15.1	<p>Transfer of Connectivity Provided that Connectivity granted to a parent company may be utilized by its subsidiary companies and Connectivity granted to a subsidiary may be utilized by its parent company. ...</p>		<p>It is understood that Regulation 15 of the GNA Regulations provides that connectivity granted to a parent company may be utilized by its subsidiary companies and vice versa, in case of renewable energy generating stations (REGS).</p> <p>As you are aware, various generating companies create different subsidiary companies below the parent company in order to have better management control and for better channelizing of</p>

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			<p>funds in between the various generating power projects. In the case of renewable park developers also, MNRE/ competent authority has granted various renewable energy parks to various developers and such developers may at a later stage, have to create subsidiary companies under the umbrella of the parent company for handling and operationalization of allocated renewable park or for any other corporate actions which may not be envisaged at the time of applying for the park. Under such an option, there is a need for allowing utilization of connectivity granted to renewable park developer by its subsidiary company.</p> <p>However, the plain reading of the current provisions may limit the application of regulation 15.1 to only the generating stations. Hence the same may be clarified that the provisions of transfer of connectivity are also applicable connectivity granted to the Renewable energy park developer.</p>