



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

Ref: NSEFI/CERC/2024-25/0013

Date: 08.03.2024

To
The Secretary
Central Electricity Regulatory Commission,
Chanderlok Building, 36 Janpath,
New Delhi – 110001

Subject: Sector Comments on Draft Central Electricity Regulatory Commission Connectivity and General Network Access to the inter-State Transmission System) (Second Amendment) Regulations, 2024

Dear Sir,
Greetings from NSEFI!

We appreciate the support CEREC has provided to the renewable energy sector. After consulting the stakeholders' from the sector, we have compiled comments/ suggestions/ objections from the stakeholders in the **Annexure** as per the Draft Central Electricity Regulatory Commission (Connectivity and General Network Access to the inter-State Transmission System) (Second Amendment) Regulations, 2024.

With Best Regards



Subrahmanyam Pulipaka
Chief Executive Officer
National Solar Energy Federation of India

Annexure:

S. No	Existing Clause as per 2nd Amendment - Draft	Proposed Clause	Rationale
1	<p>4. Eligibility for Connectivity to ISTS</p> <p>4.1. The following entities shall be eligible as Applicants to apply for grant of Connectivity or for enhancement of the quantum of Connectivity:</p> <p>(a) Generating station(s), including REGS(s), with or without ESS, with an installed capacity of 50 MW and above individually or with an aggregate installed capacity of 50 MW and above through a Lead Generator or a Lead ESS;</p> <p>(b) Captive generating plant with capacity for injection to ISTS of 50 MW and above;</p> <p>(c) Standalone ESS with an installed capacity of 50 MW and above individually or with an aggregate installed capacity of 50 MW and above through a Lead ESS or Lead Generator;</p> <p>...</p>	<p>4. Eligibility for Connectivity to ISTS</p> <p>4.1. The following entities shall be eligible as Applicants to apply for grant of Connectivity or for enhancement of the quantum of Connectivity:</p> <p>(a) Generating station(s), including REGS(s), with or without ESS, with an installed capacity of 50 MW and above individually or with an aggregate installed capacity of 25 MW and above through a Lead Generator or a Lead ESS;</p> <p>(b) Captive generating plant with capacity for injection to ISTS of 25 MW and above;</p> <p>(c) Standalone ESS with an installed capacity of 25 MW and above individually or with an aggregate installed capacity of 25 MW and above through a Lead ESS or Lead Generator;</p> <p>...</p> <p>17. Eligibility for GNA</p> <p>17.1. The following entities shall be eligible as Applicants to</p>	<p>Ministry of Power has recently notified the Electricity (Amendment) Rules, 2005 dated 10.01.2024, wherein it has allowed a generating company or captive generating plant or energy storage system or consumer to connect to inter-state transmission system with loads of 25 MW and above. The verbatim details are as follows:</p> <p><i>"A generating company or a person setting up a captive generating plant or an Energy Storage System or a consumer having load of not less than twenty five Megawatt in case of Inter State Transmission System and ten Megawatt in case of Intra-State Transmission System shall not be required to obtain license under the Act for establishing, operating or maintaining a</i></p>

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	<p>17. Eligibility for GNA 17.1. The following entities shall be eligible as Applicants to apply for grant of GNA or for enhancement of the quantum of GNA: ... (iii) A distribution licensee or a Bulk consumer, seeking to connect to ISTS, directly, with a load of 50 MW and above;</p>	<p>apply for grant of GNA or for enhancement of the quantum of GNA: ... (iii) A distribution licensee or a Bulk consumer, seeking to connect to ISTS, directly, with a load of 25 MW and above;</p>	<p><i>dedicated transmission line to connect to the grid</i></p> <p>Therefore, it is suggested that 50 MW minimum connectivity requirement for inter-state transmission networks should be reduced to 25 MW.</p>
2	<p>3. Amendment to Regulation 3.5 of the Principal Regulations After scrutiny, the Nodal Agency shall intimate the deficiencies, if any, in the application for grant of Connectivity or grant of GNA, to the Applicant within Eighteen (18) days of the receipt of application, in order of date and time of receipt of application. The Applicant shall rectify the deficiency within one week thereafter, failing which the application shall be closed and 20% of the application fee shall be forfeited. Balance 80% of the application fee shall be refunded by the Nodal Agency to the Applicant within 15 days of closure of the application.</p>	<p>3. Amendment to Regulation 3.5 of the Principal Regulations After scrutiny, the Nodal Agency shall intimate the deficiencies, if any, in the application for grant of Connectivity or grant of GNA, to the Applicant within 14 days of the receipt of application, in order of date and time of receipt of application. The Applicant shall rectify the deficiency within Fourteen (14) days thereafter, failing which the application shall be closed and 20% of the application fee shall be forfeited. Balance 80% of the application fee shall be refunded by the Nodal Agency to the Applicant within 15 days of closure of the application.</p>	<p>It is understood that given the increased number of applications and scrutiny to be carried out by CTU, it is proposed that the time for intimation of deficiencies by CTU be increased from one week to 18 days and rectification be carried out within one week by the applicant.</p> <p>While the need for increased time to CTU is agreed with, it is suggested that CTU intimate the deficiencies within 14 days, with applicant rectify the same within 14 days. It needs to be appreciated that, to rectify the deficiencies, the connectivity applicants may need to obtain records and documentation from govt dept and agencies, who follow their respective</p>

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			<p>procedures. It is seen that time is also lost in various public holidays and dependent of availability of officials for providing this documentation.</p> <p>Further, CTU has been requesting connectivity applicants to apply early in the month, and a 14-day period for CTU and a equal 14 day period of the developer to rectify, will nudge the behaviour in right earnest and developers will be inclined to file for connectivity early since a rectified application will be taken up in the months connectivity grant meeting.</p>
3	<p>5.1 The sub-clause (c) to Clause (vii) of Regulation 5.8 of the Principal Regulations shall be substituted, and sub-clause (d) shall be added after subclause (c) as under: (c) For a capacity up to 1000MW - Bank Guarantee of Rs. 10 lakh/ MW and for a capacity more than 1000MW - Bank Guarantee of Rs. 100 Crore plus Rs. 5 lakh/ MW for capacity over and above 1000MW, in lieu of ownership or lease rights or land use rights of land for 50% of the land required for the capacity for which</p>	<p>5.1 The sub-clause (c) to Clause (vii) of Regulation 5.8 of the Principal Regulations shall be substituted, and sub-clause (d) shall be added after subclause (c) as under: (c) For a capacity up to 100 MW - Bank guarantee or Insurance Surety Bonds of Rs 10 Lakh/MW and for a capacity more than 100 MW - Bank Guarantee or Insurance Surety Bonds of Rs 10 Crore plus Rs 5 Lakh/MW for capacity over and above 100 MW, in lieu of ownership or lease rights or land use rights of land for 50% of the land required for the capacity for which Connectivity</p>	<p>In the recent bids issued by various REIAs, developers are required to submit huge Performance Bank Guarantees In order to satisfy the huge financial requirements specified in these bids like the PBG requirement, developers have to keep aside a lion share of their capital to meet these conditions. This scenario leads to a blockage of huge amount of capital which is prolonging the COD of many projects. Hence to ease up the financial burden on the developers and to expedite the RE capacity</p>

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	Connectivity is sought subject to provisions of Regulations 11A and 11B of these regulations; or	is sought subject to provisions of Regulations 11 A and 11 B of these regulations; or	<p>addition in the country, it is requested to revise the Land route BG as suggested.</p> <p>Further to the above, we submit that the payment security mode of “Insurance Surety Bonds” should also be assessed. The issuance of BGs exerts pressure on working capital limits, as banking credit becomes immobilized due to the collateral requirements associated with BGs, which are often tied to working capital. Moreover, incidental costs of BGs (ranging from 0.5% to 1% of the guaranteed amount in terms of annual charges) further compound the financial burden.</p> <p>Developers should not be forced to go in for a substantial capital lockup, especially in view of the project implementation requirements.</p> <p>IRDAI has come out with Surety Insurance Contracts guidelines on 03.01.2022, enabling General Insurance Companies to start Surety bonds business from 01.04.2022. Subsequently, the Department of Expenditure issued an amendment to GFR, 2017 vide OM dated 02.02.2022 to</p>

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			<p>include Insurance Surety Bonds as a Security mechanism.</p> <p>The Ministry of Road Transport & Highways has already started accepting Insurance Surety Bonds in their bidding processes, as seen in the recent TOT bundle 14 bidding conducted by NHAI.</p> <p>It is submitted that instead of BGs, Insurance Surety bonds should be also acceptable. This approach will unlock private capital thereby accelerating RE development, reducing reliance on foreign investment, and providing new avenues to the insurance sector to contribute to the growth of power infrastructure.</p>

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4	<p>5.2 The sub-clause (c) to Clause (xi) of Regulation 5.8 of the Principal Regulations shall be substituted, and sub-clause (d) shall be added after sub-clause (c) as under as under:</p> <p>(c) For a capacity up to 1000MW - Bank Guarantee of Rs. 10 lakh/ MW and for a capacity more than 1000MW - Bank Guarantee of Rs. 100 Crore plus Rs. 5 lakh/ MW for capacity over and above 1000MW, in lieu of ownership or lease rights or land use rights of land for 50% of the land required for the capacity for which Connectivity is sought subject to provisions of Regulations 11A and 11B of these regulations; or</p>	<p>5.2 The sub-clause (c) to Clause (xi) of Regulation 5.8 of the Principal Regulations shall be substituted, and sub-clause (d) shall be added after sub-clause (c) as under as under:</p> <p>(c) For a capacity up to 100 MW - Bank guarantee or Insurance Surety Bonds of Rs 10 Lakh/MW and for a capacity more than 100 MW - Bank Guarantee or Insurance Surety Bonds of Rs 10 Crore plus Rs 5 Lakh/MW for capacity over and above 100 MW, in lieu of ownership or lease rights or land use rights of land for 50% of the land required for the capacity for which Connectivity is sought subject to provisions of Regulations 11 A and 11 B of these regulations; or</p>	<p>In the recent bids issued by various REIAs, developers are required to submit huge Performance Bank Guarantees in order to satisfy the huge financial requirements specified in these bids like the PBG requirement, developers have to keep aside a lion share of their capital to meet these conditions. This scenario leads to a blockage of huge amount of capital which is prolonging the COD of many projects.</p> <p>Hence to ease up the financial burden on the developers and to expedite the RE capacity addition in the country, it is requested to revise the Land route BG as suggested.</p> <p>Further to the above, we submit that the payment security mode of "Insurance Surety Bonds" should also be assessed. The issuance of BGs exerts pressure on working capital limits, as banking credit becomes immobilized due to the collateral requirements associated with BGs, which are often tied to working capital. Moreover, incidental costs of BGs (ranging from 0.5% to 1% of the guaranteed amount in terms of annual charges) further compound the financial burden.</p>



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			<p>Developers should not be forced to go in for a substantial capital lockup, especially in view of the project implementation requirements.</p> <p>IRDAI has come out with Surety Insurance Contracts guidelines on 03.01.2022, enabling General Insurance Companies to start Surety bonds business from 01.04.2022. Subsequently, the Department of Expenditure issued an amendment to GFR, 2017 vide OM dated 02.02.2022 to include Insurance Surety Bonds as a Security mechanism.</p> <p>The Ministry of Road Transport & Highways has already started accepting Insurance Surety Bonds in their bidding processes, as seen in the recent TOT bundle 14 bidding conducted by NHAI.</p> <p>It is submitted that instead of BGs, Insurance Surety bonds should be also acceptable. This approach will unlock private capital thereby accelerating RE development, reducing reliance on foreign</p>

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			investment, and providing new avenues to the insurance sector to contribute to the growth of power infrastructure.
5	An additional sub-clause (e) shall be added to the Regulation 5.8 (vii) and 5.8 (xi) of the Principal regulations	An additional sub-clause (e) shall be added to the Regulation 5.8 (vii) and 5.8 (xi) of the Principal regulations (e) Agreements executed with the Central/State Governments or Government Agencies for the development of renewable energy projects	The agreements executed with Central/State Governments or Government Agencies for the development of RE projects are executed after consultation and deliberations with all the stakeholders and the developers are also obligated to follow the timelines and other conditions stipulated by the government in such agreements. In this regard it is requested to consider such agreements executed with Central/State Governments or Government Agencies to be considered r applying for grant of connectivity

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6	An additional clause shall be added to Regulation 5.8 vii (c) and 5.8 xi (c)	An additional clause shall be added to Regulation 5.8 vii (c) and 5.8 xi (c) As an alternative form of submission, for the Bank Guarantee in lieu of ownership or lease rights or land use rights of land for 50% of the land required for the capacity for which Connectivity is sought, the applicant has an option to submit a letter of undertaking issued by either of the following three organizations, viz. (i) Indian Renewable Development agency Limited (IREDA) or (ii) Power Finance Corporation Limited or (iii) REC Limited. This Letter of Undertaking shall be issued as "Payment on Order Instrument" (POI), wherein the POI issuing organization undertakes to pay in all scenarios under which the PBG would be liable to be encashed by the Nodal Agency within the provisions of these regulations	Government Financial Institutions, like PFC, REC and IREDA, are actively involved in financing renewable energy projects. Major contribution towards financing these projects, comes from these institutions, as renewable energy power projects are typical and different from that of other regular Infrastructure projects. The Ministry of New and Renewable Energy (MNRE) has also issued specific guidelines/instructions, to all RE implementing Agencies to accept Payment on Order Instrument (POI) issued by the above Financial Institutions (FIs) in lieu of the Bank guarantees towards meeting the requirements of EMD and Performance Guarantees. All the REIAs have successfully implemented this and this has been a successful way of meeting the

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		<p>An additional sub-clause (a) shall be added to regulation 8.4 of the Principal regulations As an alternative form of submission, Conn-BG1, Conn-BG2 and Conn-BG3, the applicant has an option to submit a letter of undertaking issued by either of the following three organizations, viz. (i) Indian Renewable Development agency Limited (IREDA) or (ii) Power Finance Corporation Limited or (iii) REC Limited. This Letter of Undertaking shall be issued as "Payment on Order Instrument" (POI), wherein the POI issuing organization undertakes to pay in all scenarios under which the PBG would be liable to be encashed by the Nodal Agency within the provisions of these regulations</p>	<p>requirements as a substitute for the Bank guarantees as the Payment on Order Instrument will also have terms and conditions similar to that of a Bank Guarantee given by any public sector bank and would promise to pay the procurer on demand within the stipulated time thus meeting the requirements of the security to be submitted towards specific requirements and timelines.</p> <p>We would like to state, as said the FIs have certain specific financial schemes to sanction and disburse Loans and financial comforts. These come as regular loan sanctions with minimum expenditure of resources and time, as these Institutions understand the nature of renewable energy projects. Banks do give guarantees generally on a 100% margin or on the issuance of Counter Guarantees by the aforesaid Financial Institutions. When Banks themselves give Guarantee, on the counter Guarantees of FIs, there is no reason for refusing to have the payment orders by these FIs, as commitment Guarantees under GNA regulations. Promoters have difficulty in providing Bank</p>

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			<p>guarantees from the Banks alone, as the Commission has to be paid twice, first for FI issuing a counter Guarantee and second for the Bank to issue BG. Further proposals for these have to be appraised at two separate institutions which apart from the additional cost also add up to the additional time required for the bank and FIs to process.</p> <p>Hence, it is requested to consider the provision for acceptance of POIs issued by Fis like IREDA, PFC and REC also as an acceptable format for submission of all applicable BGs (Conn BG 1,2 &3 and Land route BGs).</p>
7	<p>Revision of Clause 8.2 (c) (c) Conn-BG1, Conn-BG2 and Conn-BG3, as applicable, shall be furnished within 1 (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>Revision of Clause 8.2 (c) (c) Conn-BG1, Conn-BG2 and Conn-BG3, as applicable, shall be furnished within 60 (sixty) days 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>As per the latest GNA regulations 2022, the timeline for submission of bank guarantees is 30 days from the date of intimation of the In-Principle grant of connectivity. However, these guarantees are not generic and the Financial Institutions/Banks have specific procedures to process and disburse the limits which takes more than 30 days and hence a longer period will be a breather for systematic appraisal at the Financial Institutions/Banks for which reason, we request you to</p>

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			extend the timelines for submission of guarantees from 30 to 60 days.
8	<p>Amendment proposed in sub-clause (1) of Clause 11A</p> <p><i>“(1) An applicant which is REGS (other than Hydro generating station) or ESS (excluding PSP) covered under sub-clause (c) of Clause (xi) of Regulation 5.8 or Renewable power park developer covered under sub-clause (c) of Clause (vii) Regulation 5.8, shall submit documents for land in terms of sub-clause (b) of Clause (xi) or sub-clause (b) of Clause (vii) of Regulation 5.8 of these regulations, as the case may be, within 18 months of issuance of an in-principle grant of Connectivity or within 12 months of issuance of a final grant of Connectivity, whichever is earlier. The Bank Guarantee submitted under subclause (c) of Clause (vii) or under sub-clause (c) of Clause (xi) of Regulation 5.8 of these regulations shall be returned within 7 days of submission of stipulated documents as</i></p>	<p>11A (1) An applicant which is REGS (other than Hydro generating station) or ESS (excluding PSP) covered under sub-clause (c) of Clause (xi) of Regulation 5.8 or Renewable power park developer covered under sub-clause (c) of Clause (vii) Regulation 5.8, shall submit documents for land in terms of sub-clause (b) of Clause (xi) or sub-clause (b) of Clause (vii) of Regulation 5.8 of these regulations, as the case may be, within 12 months of issuance of a final grant of Connectivity. The Bank Guarantee submitted under subclause (c) of Clause (vii) or under sub-clause (c) of Clause (xi) of Regulation 5.8 of these regulations shall be returned within 7 days of submission of stipulated documents as proof of Ownership or lease rights or land use rights. Provided that such documents for land can be in name of the applicant or its parent company and/ or subsidiary company(ies).</p>	<p>It is submitted that a single condition be kept, and the connectivity grantee be required to submit the land documents within 12 months from issuance of final grant of connectivity.</p> <p>It is being observed and likely to be observed more often in the near future that the tentative coordinates indicated in at the time of in-principal grant of connectivity undergo change and the final coordinates are very different. Further, it would take more time for CTU to be aware of the final coordinates (upon completion of bidding for transmission package is concluded) and it would invariably justifiably delay in-principal grant of connectivity to final grant of connectivity. Given this known risk, developers would be reluctant to acquire land and lender vary of disbursing funds until final connectivity coordinates are known. Hence it is suggested that 18 months from in-</p>

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	<i>proof of Ownership or lease rights or land use rights."</i>		<p>principal grant of connectivity be deleted, and only 12 months from final grant of connectivity be retained.</p> <p>Once the said Connectivity is granted to an applicant company, the freedom of choice comes in for which specific Subsidiary Company (or Project SPV) will actually develop the project – which can differ basis compliance perspective, or targeted customers to be served, or even the solar-wind mix in the RE solution being provided. However, at the same time, it is still mandated that land be acquired in the name of the entity, which is the Connectivity grantee, i.e. the Holding Company/ Parent Company. Further, connectivity taken under BG route requires the Connectivity grantee to submit land documents within 180 days</p>

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			<p>from final grant of connectivity. It may be noted that as an industry practise the Subsidiary Company (or Project SPV) develops the project and associated activities such as financial closure, release of orders to contractors, dependent approvals, among others, is</p> <p>taken by the Subsidiary Company (or Project SPV) itself. Now if the project is developed by Subsidiary Company (or Project SPV) whereas land against connectivity has to be in the name of Connectivity Grantee viz. Parent/Holding company, a disconnect and difficult situation for Developers is created as the land cannot be in separate entities – namely Holding Company and Project SPV. Additionally, the lenders require under facility agreement to have the land in the name of Project SPV which has taken the project loan. There is</p>

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			therefore concern if the land of the project is in one entity and project is being developed in the other entity. It is requested that demonstrating land in the Subsidiary Company (or Project SPV) against connectivity granted to Holding Company/ Parent Company should be allowed. For this, Developers can submit an undertaking stating that the connectivity will be utilized by the said Project SPV at a later date for the particular quantum in question and that the land submitted against a particular connectivity will not be used
9	Regulation 11 (A) (2) An applicant which is REGS (other than Hydro generating station), ESS (excluding PSP) or Renewable power park developer to which a final grant of connectivity has been issued shall submit an Auditor's certificate, certifying the release of at least 10% of the project cost including the land acquisition cost through	Regulation 11 (A) (2) (2) An applicant which is REGS (other than Hydro generating station), ESS (excluding PSP) or Renewable power park developer to which a final grant of connectivity has been issued shall submit the financial closure for the capacity of such Connectivity latest by 6 months prior to the scheduled date of commercial operation of such applicant or from the	It is submitted that the equity has the highest cost of capital and is brought later in the project. Further, given that land for RE projects is leased, and the cost of land varies between 3%-5% of the total project cost. It is hence suggested that Developers are already submitting BGs to protect the interest of transmission utility. There is already a requirement of FC

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	<p>equity latest by 12 months prior to the scheduled date of commercial operation of such applicant.</p> <p>Provided that in case of REGS (other than Hydro generating station) or ESS (excluding PSP) who have been granted Connectivity under sub-clause (a) of Clause (xi) of Regulation 5.8 or are subsequently covered under sub-clause (a) of Clause (xi) of Regulation 5.8, the scheduled date of commercial operation for the purpose of Clause (2) of Regulation 11A shall be considered as SCOD, as extended by REIA or a distribution licensee or an authorized agency on behalf of distribution licensee from time to time, subject to the condition that any extension in the timeline to release 10% equity infusion due to extension in SCOD shall not be allowed more than 12 months from the original timeline as per initial SCOD.</p>	<p>start date of connectivity whichever is later.</p> <p>Provided that in case of REGS (other than Hydro generating station) or ESS (excluding PSP) who have been granted Connectivity under sub-clause (a) of Clause (xi) of Regulation 5.8 or are subsequently covered under sub-clause (a) of Clause (xi) of Regulation 5.8, the scheduled date of commercial operation for the purpose of Clause (2) of Regulation 11A shall be considered as SCOD, as extended by REIA or a distribution licensee or an authorized agency on behalf of distribution licensee from time to time, subject to the condition that any extension in the timeline to release 10% equity infusion due to extension in SCOD shall not be allowed more than 12 months from the original timeline as per initial SCOD.</p>	<p>which is in tune to bidding guidelines. We request hon'ble Commission that this extra requirement of 10% equity release may be deleted from principal Regulation. Further most of the REIAs monitor the project development based on the financial closure milestone and through monthly/ quarterly project development reviews.</p>

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10	<p>11A. Conditions subsequent to be satisfied by the Connectivity Grantee</p> <p>An applicant which is REGS (other than Hydro generating station), ESS (excluding PSP) or Renewable power park developer to which a final grant of connectivity has been issued shall have to achieve the financial closure for the capacity of such Connectivity, latest by 12 months prior to the scheduled date of commercial operation of such applicant.</p> <p>Provided that such an applicant shall submit proof of Financial Closure of the project (with a copy of the loan sanction letter or proof of first disbursement of the loan amount) or a copy of board resolution (if internal funding is planned for 100% of the project cost) to CTU within 15 days of achieving the financial closure:</p> <p>Provided that in case of REGS (other than Hydro generating station) or ESS (excluding PSP) who have been granted Connectivity under sub-clause (a) of Clause (xi) of Regulation 5.8 or are subsequently covered under sub-clause (a) of Clause (xi) of Regulation</p>	<p>11A. Conditions subsequent to be satisfied by the Connectivity Grantee</p> <p>(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 latest by 6 months prior to the scheduled date of commercial operation of such applicant or from the start date of connectivity whichever is later:</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) or copy of board resolution (if internal funding is planned for 100% of the project cost) to CTU within 15 days of achieving the financial closure.</p> <p>Provided that in case of REGS (other than Hydro generating station) or ESS (excluding PSP) who have been granted Connectivity under sub-clause (a) of Clause (xi) of Regulation 5.8 or are subsequently covered under sub-clause (a) of Clause (xi) of Regulation 5.8, the scheduled date of commercial operation for the purpose of</p>	<p>The RE tenders issued by REIA's require the developer to achieve Financial Closure 6 months prior to the SCSD/ extended SCSD.</p> <p>It is hence submitted that the requirement of achieving financial closure be 6 months from SCD. The requirements across connectivity conditions and tender conditions be aligned with same timelines, to the extent possible not duplicated and consistency maintained.</p>



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	5.8, the scheduled date of commercial operation for the purpose of Clause (3) of Regulation 11 A shall be considered as the SCOD, as extended by REIA or a distribution licensee or an authorized agency on behalf of distribution licensee from time to time, subject to the condition that any extension in the timeline to achieve the milestone of Financial Closure due to extension in SCOD shall not be allowed more than 12 months from the original timeline as per initial SCOD.	Clause (3) of Regulation 11 A shall be considered as the SCOD, as extended by REIA or a distribution licensee or an authorized agency on behalf of distribution licensee from time to time, subject to the condition that any extension in the timeline to achieve the milestone of Financial Closure due to extension in SCOD shall not be allowed more than 6 months from the original timeline as per initial SCOD.	

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11	<p>8.2 A new Clause, namely Clause (5), shall be added after Clause (4) of Regulation 11A of the Principal Regulations as under:</p> <p>In case of Applicants which have been granted Connectivity under subclause (a) of Clause (xi) of Regulation 5.8 of these regulations, and whose LoA or PPA gets terminated prior to the COD of the project, for the reasons not attributable to such Applicant and in cases where LoA or PPA has been terminated by the entity and the same has also been agreed by the REIA or Distribution Licensee, such Applicant may convert the Connectivity, in full or part, granted under sub-clause (a) of Clause (xi) of Regulation 5.8 of these regulations to Connectivity under sub-clause (b) of Clause (xi) of Regulation 5.8 of these Regulations with no change in the start date of Connectivity consequent to such conversion and compliance to requirements of Clause (2) and Clause (3) of this Regulation as applicable to entities covered under subclause (b) of Clause (xi)</p>	<p>8.2 A new Clause, namely Clause (5), shall be added after Clause (4) of Regulation 11A of the Principal Regulations as under:</p> <p>Applicants who have been granted Connectivity under subclause, (a) or (b) or (c) of Clause (xi) of Regulation 5.8 of these regulations, may convert the Connectivity, in full or part, granted under sub-clause (a) or (b) or (c) of Clause (xi) of Regulation 5.8 of these regulations to (A) Connectivity under sub-clause (a) or (b) or (c) of Clause (xi) of Regulation 5.8 of these Regulations with the start date of connectivity as 12 months from the date of conversion or original the start date of Connectivity whichever is later, (B) another LOA/PPA with SCOD of the new project as start date of connectivity; consequent to such conversion and compliance to requirements of Clause (2) and Clause (3) of this Regulation as applicable to entities covered under Clause (xi) of Regulation 5.8 of these regulations</p>	<p>As per Clause 11 (A) (5) of the 2nd Draft Amendment proposed, in case connectivity granted under LOA or PPA route is terminated prior to COD of the project due to reasons not attributable to the applicant or if the LOA or PPA is terminated by the entity and it is accepted by the REIA or DISCOM, then, applicants have the option to convert the already granted connectivity approval under LOA or PPA route to Land route by submission of land proof documents as stipulated in the GNA regulations 2022 and also, extend the project SCOD date another 18 months from the date of conversion.</p> <p>In addition to the above, it is requested to provide the option to consider the substitution of connectivity granted in the following manner also:</p> <ul style="list-style-type: none"> LOA to LOA substitution (The signing of PPA is getting delayed by REIAs after issue of LOA. The delay in some cases is more than 12 months, wherein the developer can terminate the LOA. In such cases the developer may be allowed to substitute the

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	of Regulation 5.8 of these regulations:		<p>connectivity with another LOA)</p> <ul style="list-style-type: none"> ▪ LOA to Land BG (The signing of PPA is getting delayed by REIAs after issue of LOA. The delay in some cases is more than 12 months, wherein the developer can terminate the LOA. In such cases the developer may be allowed to substitute the connectivity by submitting the Land BG) ▪ Land BG route to LOA ((The time period for award of LOA from an REIA through the bidding process may take a few months to complete and since securing the connectivity for the project is a vital step in the actual realization of the project, developers may first apply for grant of connectivity by submitting the Land BGs and subsequent to the grant of LOAs for the project, they may be allowed an option to substitute the connectivity by submitting the LOA granted from the REIAs)
12	Revision in treatment of Connectivity BGs (16.2) Conn-BG2 and Conn-BG3 shall be returned in five equal parts over five years corresponding to the	Revision in treatment of Connectivity BGs Conn - BG2 and Conn - BG3 shall be returned within 60 days from the date of COD of the project. In BG time limit shall	As per new RE guidelines, the COD will be declared after ensuring the rated full generation of the project, this indicates the RE plants 100% installed and is generating as

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	generation capacity which has been declared under commercial operation by the Connectivity grantee.	be aligned accordingly i.e. CoD after 60days.	per its rated capacity. In case of RE projects the annual generation is dependant on Solar/Wind resources and also there is no ramp up, trail run etc in RE plants. Therefore the submitted BGs may be released within 60 days of the commissioning.
13		Interconnection Points Developers shall have an option to shift their connectivity from one substation to another substation (subjected to the availability of vacant capacity) within the same state without paying any additional charges.	
14		11.A Conditions subsequent to be satisfied by the Connectivity Grantee (4) In case of Applicants which have been granted Connectivity under clauses (xi)(b) or (xi)(c) of the Regulation 5.8 but are subsequently covered under clause (xi)(a) of the Regulation 5.8, the requirement of furnishing the documents in accordance with Clauses (1) to (3) shall be the same as applicable to the entities covered under clause (xi)(a) of Regulation 5.8.	The regulation defines that connectivity granted on Land route (5.8 (xi)(b)) or Land BG route (5.8 (xi)(c)) can be converted to LOA route, post submission of LOA. We request commission to kindly incorporate in clause 11.A, that partial transfer of connectivity granted on Land or Land BG route as per clause (xi)(b) or (xi)(c) of the Regulation 5.8 is allowed to be converted to LOA route, post submission of LOA.
15	Existing Clause 15.3 <i>“Any person which acquires 51% or more shareholding of the company or its subsidiary or affiliate company owning REGS or</i>	Request to include following bolded letters to improve legibility and facilitate easier interpretation of the Clause: <i>“Any person, (a) which acquires 51% or more shareholding of the</i>	The addition of marking words is suggested to improve the legibility and facilitate ease of interpretation of the clause.

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	<i>part thereof in terms of Regulation 15.2, may after COD of such split part, apply to the Nodal Agency for transfer of Connectivity. The Nodal Agency shall issue revised grant of Connectivity on submission of applicable Conn-BG2 and Conn-BG3 by such person. The original grantee may substitute its Conn-BG2 and Conn-BG3 with revised Conn-BG2 and Conn-BG3, to be intimated by CTU. On issue of revised grant of Connectivity, such person shall enter into a fresh Connectivity Agreement and be responsible for compliance with all applicable regulations”</i>	<i>company or (b) its subsidiary or (c) affiliate of company owning REGS or part thereof, in terms of Regulation 15.2, may after COD of such split part, apply to the Nodal Agency for transfer of Connectivity. The Nodal Agency shall issue revised grant of Connectivity on submission of applicable Conn-BG2 and Conn-BG3 by such person. The original grantee may substitute its Conn-BG2 and Conn-BG3 with revised Conn-BG2 and Conn-BG3, to be intimated by CTU. On issue of revised grant of Connectivity, such person shall enter into a fresh Connectivity Agreement and be responsible for compliance with all applicable regulations”</i>	
16	<p>20. Application for Grant of GNA by entities other than STU</p> <p>20.1. Entities covered under clauses (ii) and (iii) of Regulation 17.1 of these regulations, may apply for GNA indicating bifurcation of GNA within the region and outside the region, from a specified date, for a specified quantum, and for a specified period of more than eleven months.</p> <p>Provided that the entities covered under clause (ii) of Regulation 17.1 of these</p>		<p>It is requested that STU concurrence may not be kept a prerequisite for filing GNA application by a Bulk Consumer and subsequent consideration in CMETS meetings.</p> <p>If the Bulk Consumer’s GNA application is discussed in CMETS meeting, it can mean that:</p> <p>(a) STU/ Discoms would be required to give timeline for issuing concurrence.</p>

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	<p>regulations shall furnish consent of the concerned STU in terms of availability of transmission capacity in intra-State transmission system for such quantum and period of GNA.</p>		<p>(b) In the absence of above, CTUIL can always give conditional GNA.</p> <p>The introduction of a definitive timeline is essential, as without such a provision, the Bulk Consumer is left in ambiguity without knowing whether they can proceed for relevant development works or not. The STU/ Discom should have a pre-defined timeline of say 1 month within which the approval or rejection of concurrence request should be concluded.</p> <p>Further, the concurrence from STU/ Discoms can be linked to the application in National Single Window System (NSWS) portal itself, or some suitable system of tracking be built like NOAR for long-term standing clearance, so that the status can be tracked in the central portal. This will promote transparency of process and ease of doing business.</p> <p>In line with the above, it is requested that Reg. 20.1 be amended to drop STU clearance as a prerequisite to file GNA application by Bulk Consumer, and change it to a condition subsequent to the</p>

S. No	Existing Clause as per 2nd Amendment - Draft	Proposed Clause	Rationale
			application. The STU concurrence can be taken after an initial discussion at CMETS forum. Also, it is proposed that there should be a pre-defined timeline (say 1 month) in which the STU/ Discom should approve or reject the concurrence/standing clearance request, as the case may be.
17	<p>Existing Clause 24.6 (1) (a) (ii)</p> <p><i>“(ii) 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) or (xi)(c) of the Regulation 5.8.”</i></p> <p>and Existing Clause 24.6 (1)(d)(ii)</p> <p><i>“(ii) six months after the scheduled date of commercial operation for generating station(s) being set up without LOA or PPA.”</i></p>	<p>Request to include following phrase in bold below for clause 24.6 (1)(a)(ii):</p> <p><i>“(ii) six months after the scheduled date of commercial operation as intimated at time of making application for grant of Connectivity or six months after the GNA has been made effective, whichever is later, for cases covered under clause (xi)(b) or (xi)(c) of the Regulation 5.8.”</i></p> <p>Request to include following phrase in bold below for clause 24.6 (1)(d)(ii):</p> <p><i>“(ii) six months after the scheduled date of commercial operation or six months after effectiveness of GNA, whichever is later, for generating station(s) being set up without LOA or PPA.”</i></p>	<p>Justification for inclusion is as follows:</p> <p>(a) The existing clause has potential to be misinterpreted, especially in cases where GNA effectiveness date is later than scheduled date of commercial operation intimated at time of making application of Connectivity.</p> <p>(b) For instance, assuming that applicant has sought connectivity indicating SCOD of 30-Jun-2025 in application but he is provided with GNA effectiveness date of 31-Mar-2026, then going strictly as per the existing clause, once the GNA is made effective on 31-Mar-2026 and six months have passed from SCOD intimated by the applicant,</p>

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			<p>the connectivity would be revoked very next day!.</p> <p>(c)In this particular case, the connectivity stands revoked by 01-Apr-2026 as 9 months have passed from SCOD intimated by applicant (30-Jun-2025) ie merely 1 day delay from GNA effectiveness.!</p> <p>To avoid this misinterpretation, six months shall be counted from SCOD intimated by applicant or GNA effectiveness date, whichever is later.</p>
18	<p>Existing Clause 24.1 (1)(a)(ii) “(ii) 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) or (xi)(c) of the Regulation 5.8.”</p>	<p>Request to append the clause (after revising as suggested in S.No 8 above)</p> <p>“(ii) six months after the scheduled date of commercial operation as intimated at time of making application for grant of Connectivity or 12 months after the GNA has been made effective, whichever is later, for cases covered under clause (xi)(b) or (xi)(c) of the Regulation 5.8. An extension of further six months to be provided if project has acquired more than 80% land and released more than 50% of project cost through equity, duly certified by an Auditor”</p>	<p>Rationale for appending the clause:</p> <p>(a)Given the extreme uncontrollable challenges such as land acquisition, RoWs, geopolitical factors, combined with shorter development cycles of renewable energy projects, revoking connectivity with a grace of only six months’ is an extreme punitive action that can result in significant loss of capital invested in the project.</p> <p>(b)Further, it may be noted that unlike connectivity sought under regulation 5.8 (a), the other routes do not have a provision of extension in SCOD,</p>

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			<p>making them vulnerable to delay.</p> <p>(c) Therefore, we request to establish additional safeguards that offer motivation for timely project completion while avoiding overly restrictive measures that could jeopardize the entire investment and undermine investor confidence.</p> <p>(d) A further leeway of 6 months can be provided if project has acquired say 80% land and released more than 50% equity.</p> <p>Alternatively, delay charges which are specified as Rs 3000/MW/month in “CERC Sharing of inter-State Transmission Charges and Losses Regulations, 2020” can be enhanced for period crossing six months so that developers face the heat of delay but at the same time do not lose the connectivity.</p>
19.	<p>Clause 20.4 of 1st Amendment of GNA Reg.</p> <p>Entities covered under clauses (ii) and (iii) of Regulation 17.1 of these regulations may apply for GNARE indicating bifurcation of GNARE within the region and from outside the region, from a</p>	<p>Clause 20.4 of 1st Amendment of GNA Reg.</p> <p>Entities covered under clauses (ii) and (iii) of Regulation 17.1 of these regulations may apply for GNARE indicating bifurcation of GNARE within the region and from outside the region,</p>	<p>It has been observed that states are not taking interest to give Consent for procurement of power from ISTS network.</p> <p>We suggest that as per Regulations, STU have to check transmission feasibility for consent, and for the existing consumer it would</p>

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	<p>specified date, for a specified quantum, and for a specified period of more than eleven months:</p> <p>Provided that the entities covered under clause (ii) of Regulation 17.1 of these regulations shall furnish consent of the concerned STU in terms of availability of transmission capacity in intra-State transmission system for such quantum and period of GNARE:</p>	<p>from a specified date, for a specified quantum, and for a specified period of more than eleven months:</p> <p>Provided that the entities covered under clause (ii) of Regulation 17.1 of these regulations shall furnish consent of the concerned STU in terms of availability of transmission capacity in intra-State transmission system for such quantum and period of GNARE:</p> <p>Provided that the Concerned STU should provide consent in terms of availability of transmission capacity in intra-State transmission system for such quantum in a time bound manner of 30 days OR Deemed Consent, subject to the existing consumer is not increasing existing load / contract demand.</p>	<p>not be a constrain for issuance of NOC.</p> <p>In this regard, NoC / Deemed NOC should be provided for existing consumers in a time bound manner of 30 days after submission of applications.</p> <p>Following are some key points to consider in support of proposal:</p> <p>Regulatory Compliance: By emphasizing a time-bound issuance of NoCs or Deemed NOCs, the process becomes more compliant with regulatory expectations.</p> <p>Transmission Feasibility Assurance: Since STUs are obligated to assess transmission feasibility for consent, the proposed time-bound issuance ensures that developers receive timely assurance regarding the feasibility of procuring power from ISTS networks. This can contribute to project planning and execution efficiency.</p> <p>Developer Confidence: Establishing a clear and time-bound process for obtaining NoCs or Deemed NOCs can enhance developer confidence. Predictability and</p>

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			<p>efficiency in regulatory processes are key factors that attract investment and promote the development of power projects.</p> <p>Facilitation of Existing Consumers: The proposed provision specifically targets existing consumers, acknowledging that their transition to procuring power from ISTS networks should not be unduly constrained. By providing NoCs or Deemed NOCs within a defined timeframe, the transition process becomes smoother for these consumers.</p> <p>Reduced Administrative Burden: A time-bound issuance of NoCs or Deemed NOCs can contribute to streamlining administrative processes. This not only benefits developers but also reduces the administrative burden on regulatory bodies, promoting overall efficiency in the power procurement process.</p> <p>Project Timelines: Delays in obtaining necessary approvals can impact project timelines and potentially lead to financial implications. The proposed time-bound manner of 15 days after submission of</p>

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			applications provides developers with a clear timeframe, facilitating better project planning.
20.		<p>Additional Comments</p> <p>Conversion of Partial Connectivity from BG / Land based to LoA</p>	<p>We would like to highlight a scenario observed in the industry where developers secure connectivity through BG/Land route and subsequently secured project for a lesser capacity through the Renewable Energy Implementing Agency (REIA). In light of this, we propose the introduction of a provision allowing developers to convert partial connectivity obtained through Land-based into LoA based connectivity.</p> <p>The provision that allows developers to convert partial connectivity obtained through the BG/Land route into LoA (Letter of Approval) based connectivity. This flexibility aims to optimize developers' connectivity based on the actual capacity secured through the Renewable Energy Implementing Agency (REIA) process. The proposed provision appears to offer several potential benefits:</p> <p>Optimization of Connectivity: The ability to</p>

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			<p>convert partial connectivity provides developers with the flexibility to convert connectivity based on the actual capacity secured through the REIA process. This ensures that the connectivity aligns more closely with the project's requirements.</p> <p>Adaptability to Project Development Dynamics: The dynamic nature of project development often involves changes in capacity requirements. Allowing developers to adjust their connectivity based on the secured capacity allows for a more adaptable and practical approach, promoting efficiency and responsiveness to project development dynamics.</p> <p>Enhanced Project Feasibility: By aligning the connectivity with the actual capacity secured, developers can enhance the feasibility of their projects. This may lead to better resource utilization and cost-effectiveness, contributing to the overall success of renewable energy initiatives.</p>