



SPDA/RV/2024/33

March 08th, 2024

**The Secretary
Central Electricity Regulatory Commission
New Delhi**

Sub: Request for consideration of our comments on the Draft CERC (Connectivity and General Network Access to the inter-State Transmission System) (2nd Amendment) Regulations, 2024

Respected Sir,

Greetings from SPDA!

SPDA is an independent industry association; committed towards promoting energy transition in India. We provide a neutral platform for policy advocacy, discussions and consensus building on issues critical to the development of the renewable and green fuel sector and are well recognized by the Ministry of New and Renewable Energy (GoI). SPDA represents more than 40-member companies across the gamut of renewables and green fuel industry including solar, wind, hybrid, BESS, green hydrogen and green ammonia sectors, providing assistance in policy evolution and healthier investment climate for renewable energy and green fuel projects and services. The member companies of SPDA include all the large players who have actively contributed with more than 75% of total renewable capacity under operation in India. Most of the members are developing an active pipeline of green hydrogen and green ammonia projects in the country.

With reference to the draft CERC (Connectivity and General Network Access to the inter-State Transmission System) (2nd Amendment) Regulations, 2024 published on the Commission's website for seeking comments. We have analyzed the draft Regulations and would like to submit our suggestions (placed as Annexure-1) for the kind consideration of the Hon'ble Commission.

We request that the aforesaid suggestions shall be favorably considered. We would also like to request the Hon'ble Commission for a hybrid public hearing to be held to ensure wider participation of stakeholders.

Thanking You

Yours sincerely -

**Ravi Verma
Member – Governing Council**

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SPDA Comments on the draft CERC (Connectivity and General Network Access to the Inter-State Transmission System) (2nd Amendment) Regulations, 2024

S. No	Proposed Clause as per 2nd Amendment - Draft	Suggested Clause	Rationale
1	<p>Regulation 3.5 of the Principal Regulations</p> <p>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>Revision to Regulation 3.5</p> <p>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 Ten (10) days of the receipt of application, in order of date and time of receipt of application. The Applicant shall rectify the deficiency within Ten (10) 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>As per the Draft Second Amendment proposed, the time period for intimation by the Nodal Agency of any deficiencies in the application is extended to 18 days.</p> <p>The proposed time frame of 18 days is quite high considering the situation that the applications once rectified and submitted will be eligible for discussion and evaluation at the NCT of the n+2 months, considering n as the month in which application is submitted.</p> <p>Further, we request to allow parity in the time taken for detection and information of deficiency(ies) and the timeline for removal of those deficiency(ies). In response to the deficiencies identified by the Nodal Agency, developers may also be required to obtain data/records from various government agencies, adhering to specific procedures established by the respective departments. This process is also contingent upon the availability of officials from those departments. Considering these factors, the current 7-day timeframe allocated for rectifying deficiencies may not be adequate. Hence, we request an extension of the timeframe to a maximum of 10 days for applicants to rectify application deficiencies without changing the time stamp in line with the timelines given to the nodal agency.</p>

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2	<p>Regulation 3.6 of the Principal Regulations</p> <p>All applications for grant of Connectivity received from the Applicants covered under Regulation 4.1 of these regulations, during the month by 2400 hours of the last day of the month, shall be processed together. The inter-se priority of applications shall be accorded as per the date and time of receipt of the application, wherever required.</p>	<p>Regulation 3.6 of the Principal Regulations</p> <p>All applications for grant of Connectivity received from the Applicants covered under Regulation 4.1 of these regulations, during the month by 2400 hours of the last day of the month, shall be processed together. The inter-se priority of applications shall be accorded as per the date and time of receipt of the original application, wherever required.</p>	<p>As per the practice, it is observed that the applications for connectivity are reverted by CTUIL for curing the deficiencies. The original timestamp of the application is lost once the application is reverted for deficiencies. The time stamp on which the corrected applications and submitted is considered for all purposes thereafter.</p> <p>It is requested that the time-stamp of the original application may be considered for determination of seniority or FIFO as all the stakeholders are granted equal time post submission of application for curing any deficiencies.</p>

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3	<p>Regulation 5.8 (vii) (c):</p> <p>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>Revision to Regulation 5.8 (vii) (c) :</p> <p>(c) For a capacity up to 300 MW - Bank guarantee of Rs 5 Lakh/MW and for a capacity more than 300 MW - Bank Guarantee of Rs 15 Crore plus Rs 2 Lakh/MW for capacity over and above 300 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 11A and 11B of these regulations; or</p>	<p>To illustrate: The EMD and PBG amount (technology wise) for SECI is as under:</p> <table border="1" style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th style="text-align: center;">Technology</th> <th style="text-align: center;">EMD Bank Guarantee (Rs/MW/Project)</th> <th style="text-align: center;">Performance Bank Guarantee (Rs/MW/Project)</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">Solar</td> <td style="text-align: center;">9,28,000</td> <td style="text-align: center;">23,20,000</td> </tr> <tr> <td style="text-align: center;">Wind</td> <td style="text-align: center;">12,64,000</td> <td style="text-align: center;">31,60,000</td> </tr> <tr> <td style="text-align: center;">ESS</td> <td style="text-align: center;">3,66,000</td> <td style="text-align: center;">9,15,000</td> </tr> </tbody> </table> <p>With a target bidding of 50GW/year by REIAs and an additional quantum to be awarded by State Agencies, the RE Developers interested to participate in these bids have to keep aside a huge amount of credit limit/capital to be utilised in the form of EMD and PBG to meet the contractual obligations. There is no defined procedure to release the EMD for unsuccessful bidders so that the credit limit exposure can be reinstated in case of unsuccessful bid. This scenario leads to a blockage of huge amount of capital which dissuades the developers from participating in future bids.</p> <p>Further, developers take proactive steps and make applications to be able to setup projects in the high RE potential zones. The amount of Rs 10 lakh/MW for large-scale projects is abnormally high and requires a large credit exposure. This also does not promote the participation of medium-small scale project developers due to their inability to meet such financial commitments. We accordingly request the BG amount for >300 MW projects to be lowered to Rs 2 lakhs/MW keeping the value upto 300 MW as Rs 5 lakhs/MW for all scale of projects</p>	Technology	EMD Bank Guarantee (Rs/MW/Project)	Performance Bank Guarantee (Rs/MW/Project)	Solar	9,28,000	23,20,000	Wind	12,64,000	31,60,000	ESS	3,66,000	9,15,000
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4	<p>Regulation 5.8 (xi) (c) :</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>Revision to Regulation 5.8 (xi) (c) :</p> <p>(c) For a capacity up to 300 MW - Bank guarantee of Rs 5 Lakh/MW and for a capacity more than 300 MW - Bank Guarantee of Rs 15 Crore plus Rs 2 Lakh/MW for capacity over and above 300 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 11A and 11B 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. 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>
5	<p>Regulation 5.8 (vii) (c) and Regulation 5.8 (xi) (d)</p> <p>(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.</p>	<p>Deletion of Regulation 5.8 (vii) (c) and Regulation 5.8 (xi) (d)</p> <p>(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</p>	<p>We appreciate the Hon'ble Commission to recognise the concerns of RE developers and introduce the provision of Government Orders (GO) in the eligibility criterion for application of connectivity. As per proposed draft, developers can apply for grant of connectivity by furnishing GOs issued by the concerned government for allotment of the land along with possession documents for 100% of the land required.</p> <p>We would like to draw your attention towards the sub-clause (b) to Clause (xi) of Regulation 5.8 of the Principal Regulations wherein with 50% of the land is in possession, the developer can directly apply under land route. This will be preferred route instead of GO route+100% possession of land which is an extremely time consuming exercise. Since GOs are only issued by a few State Governments this does not reflect the position across the country. We request to delete the said clause.</p>

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6	<p>An additional sub-clause (e) shall be added to the Regulation 5.8 (vii) and 5.8 (xi) of the Principal regulations</p> <p>(e) Agreements executed with the Central/State Governments or Government Agencies for the development of renewable energy projects including those renewable energy projects which are setup to supply power for production of green hydrogen or green ammonia</p>		<p>The agreements executed with Central/State Governments or Government Agencies for the development of RE projects including those renewable energy projects which are setup to supply power for production of green hydrogen or green ammonia 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.</p> <p>In this regard it is requested to consider such agreements executed with Central/State Governments or Government Agencies to be considered for applying for grant of connectivity</p>
7	<p>Regulation 7.1</p> <p>In the event the Nodal Agency after the interconnection study undertaken in accordance with Regulation 6.1 of these regulations, determines that no augmentation is required, the Nodal Agency shall intimate in-principle grant of Connectivity to the Applicant within 60 days from the last day of the month in which the application had been received along with details such as terminal bay(s), already available or to be developed under ISTS through CTU, and minimum design features for dedicated transmission lines to be constructed by the Applicant</p>	<p>Revision to Regulation 7.1</p> <p>In the event the Nodal Agency after the interconnection study undertaken in accordance with Regulation 6.1 of these regulations, determines that no augmentation is required, the Nodal Agency shall intimate in-principle grant of Connectivity to the Applicant 30 days from the last day of the month in which the application had been received along with details such as terminal bay(s), already available or to be developed under ISTS through CTU, and minimum design features for dedicated transmission lines to be constructed by the Applicant</p>	<p>It is understandable that with multiple connectivity applications being filed by various developers, the overall burden to process these applications has increased over CTUIL.</p> <p>However, cognizance of the fact may be taken that the overall process of grant of connectivity will be delayed with increase in the timeline for in-principle grant of connectivity.</p> <p>It is also to be noted that the developers are required to submit BGs upon the grant of in-principle connectivity. Therefore, it is imminent that the stature of this in-principle connectivity may be given more weightage as the decision of further investments into the projects are clearly dependent upon the grant of</p> <p>We suggest that the timeline to intimate in-principle grant of Connectivity to the Applicant may be kept the same at 30 days.</p>

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8	<p>Regulation 7.2</p> <p>In case the Nodal Agency, after the interconnection study undertaken in accordance with Regulation 6.1 of these regulations, determines that augmentation (with ATS or without ATS) is required, the Nodal Agency shall intimate in-principle grant of Connectivity to the Applicant within 90 days—from the last day of the month in which the application had been received</p>	<p>Revision to Regulation 7.2</p> <p>In case the Nodal Agency, after the interconnection study undertaken in accordance with Regulation 6.1 of these regulations, determines that augmentation (with ATS or without ATS) is required, the Nodal Agency shall intimate in-principle grant of Connectivity to the Applicant within 60 days from the last day of the month in which the application had been received</p>	<p>It is understandable that with multiple connectivity applications being filed by various developers, the overall burden to process these applications has increased over CTUIL.</p> <p>However, cognizance of the fact may be taken that the overall process of grant of connectivity will be delayed with increase in the timeline for in-principle grant of connectivity.</p> <p>It is also to be noted that the developers are required to submit BGs upon the grant of in-principle connectivity. Therefore, it is imminent that the stature of this in-principle connectivity may be given more weightage as the decision of further investments into the projects are clearly dependent upon the grant of in-principle connectivity.</p> <p>We suggest that the timeline to intimate in- principle grant of Connectivity to the Applicant may be kept the same at 60 days.</p>

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9	<p>An additional clause shall be added to Regulation 5.8 vii (c) and 5.8 xi (c)</p> <p>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</p>		<p>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 Bidding Guidelines for RE Projects issued by the Ministry of Power (MOP) provide for acceptance Payment on Order Instrument (POI)/Letter of Undertaking, issued by the above Financial Institutions (FIs) in lieu of the Bank guarantees towards meeting the requirements of EMD and Performance Guarantees.</p> <p>All the REIAs have successfully implemented this and this has been a successful way of meeting the 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>

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10	<p>An additional sub-clause (a) shall be added to regulation 8.4 of the Principal Regulations</p> <p>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>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 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/LoUs issued by power sector NBFCs 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>
11	<p>Clause 8.2 (c)</p> <p>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 to Clause 8.2 (c)</p> <p>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>In accordance with the extant 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. We would like to submit that 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. We would also like to draw your attention</p>

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			towards the Hon'ble Commission's order in a few petitions which have been filed seeking condoning of delay in submission of BGs. For which reason, we request the Hon'ble Commission to kindly consider and extend the timelines for submission of Conn-BG1, Conn-BG2 and Conn-BG3 from 30 to 60 days from the date of intimation of in-principle grant of Connectivity.
12	<p>Sub-clause 1 of Regulation 11A</p> <p>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 proof of Ownership or lease rights or land use rights.</p>	<p>Revision to sub-clause 1 of Regulation 11A</p> <p>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 proof of Ownership or lease rights or land</p>	This provision may be clarified in order to provide clarity regarding the over the Ownership or lease rights or land use rights and linked to existing clause(s) of the Regulations.

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		use rights as specified in 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.”.	
13	<p>Sub-clause 2 of Regulation 11A</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 submit an Auditor’s certificate, certifying the release of at least 10% of the project cost including the land acquisition cost through 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</p>	<p>Deletion of sub-clause 2 of Regulation 11A</p> <p>An applicant which is REGS (other than Hydro generating station), ESS (excluding PSP) covered under sub-clause (b) or (c) of Clause (xi) of Regulation 5.8 or Renewable power park developer covered under sub-clause (b) or (c) of Clause (vii) Regulation 5.8 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 equity latest by 12 months prior to the scheduled date of commercial operation of such applicant or 12 months prior to its GNA effectiveness date, 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</p>	<p>It is submitted that the requirements of meeting the equity infusion and financial closure are already governed by the provisions of the LoA/PPA inked with the REIA or a distribution licensee or an authorized agency on behalf of distribution licensee.</p> <p>As connectivity is being obtained in order to meet the contractual obligations to supply power as provided in the PPA, dual monitoring for equity infusion or financial closure by CTUIL does not serve the intended purpose. It unnecessary increases the compliance requirements for the developers/grantees and further burdens the already burdened staff of CTUIL.</p> <p>Therefore, we request that the requirements to submit proof regarding equity infusion and financial closure may be removed from these Regulations for LoA/PPA based connectivity applicants.</p> <p>Rationale for suggesting appendment in clause:</p> <p>(a) In cases where REIAs are not involved ie where connectivity has been obtained through Regulation 5.8 (b), (c) or (d), developers invariably align their schedule of commissioning with effectiveness of GNA, especially if GNA effectiveness date provided by CTU is substantially higher than SCOD</p>

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	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.	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>submitted by applicant at the time of application.</p> <p>(b) To provide with an example, 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 for all practical purposes, the development of plant is aligned with evacuation readiness schedule of 31-Mar-26. In this case, it would be prudent to make financial commitments targeting 31-Mar-26 instead of 31-Jun-2025.</p> <p>(c) 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> <p>Thus, the period of 12 months shall be considered from either of SCOD or GNA effectiveness date, whichever is later.</p>
14	<p>Sub-clause 3 of Regulation 11A</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</p>	<p>Revision of sub-clause 3 of Regulation 11A</p> <p>An applicant which is REGS (other than Hydro generating station), ESS (excluding PSP) covered under sub-clause (b) or (c) of Clause (xi) of Regulation 5.8 or Renewable power park developer covered under sub-clause (b) or (c) of Clause (vii) Regulation 5.8 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 or 12 months</p>	<p>It is submitted that the requirements of meeting the equity infusion and financial closure are already governed by the provisions of the LoA/PPA inked with the REIA or a distribution licensee or an authorized agency on behalf of distribution licensee.</p> <p>As connectivity is being obtained in order to meet the contractual obligations to supply power as provided in the PPA, dual monitoring for equity infusion or financial closure by CTUIL does not serve the intended purpose. It unnecessary increases the compliance requirements for the developers/grantees and further burdens the already burdened staff of CTUIL.</p>

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	<p>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 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.</p>	<p style="background-color: yellow;">prior to its GNA effectiveness date, whichever is later.</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 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.</p>	<p>Therefore, we request that the requirements to submit proof regarding equity infusion and financial closure may be removed from these Regulations for LoA/PPA based connectivity applicants.</p> <p>Rationale for suggesting appendment in clause:</p> <p>(a) In cases where REIAs are not involved ie where connectivity has been obtained through Regulation 5.8 (b), (c) or (d), developers invariably align their schedule of commissioning with effectiveness of GNA, especially if GNA effectiveness date provided by CTU is substantially higher than SCOD submitted by applicant at the time of application.</p> <p>(b) To provide with an example, 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 for all practical purposes, the development of plant is aligned with evacuation readiness schedule of 31-Mar-26. In this case, it would be prudent to make financial commitments targeting 31-Mar-26 instead of 31-Jun-2025.</p> <p>(c) 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> <p>Thus, the period of 12 months shall be considered from either of SCOD or GNA effectiveness date, whichever is later.</p>

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15	<p>Sub-clause 5 of Regulation 11A</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) of Regulation 5.8 of these regulations:</p>	<p>Revision to Sub-clause 5 of Regulation 11A</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</p> <p>(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.</p> <p>(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>Provided that the start date of connectivity which has been fully or partially converted to (a) or (b) or (c) of Clause (xi) of Regulation 5.8, as the case</p>	<p>In accordance with Clause (5) of Regulation 11 (A), 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 connectivity with another LOA) ▪ 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

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		<p>may be, shall be subject to review of the award of transmission tenders by the Bid Process Coordinators or CTUIL</p>	<p>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).</p>

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16	<p>Regulation 15.3</p> <p>“Any person which acquires 51% or more shareholding of the company or its subsidiary or affiliate 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”</p>	<p>Revision to Regulation 15.3</p> <p>“Any person, (a) which acquires 51% or more shareholding of the 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”</p>	<p>The addition of marking words is suggested to improve the legibility and facilitate ease of interpretation of the clause.</p>
17	<p>Regulation 16.2 and 16.5 Treatment of Connectivity BGs</p> <p>16.2 Conn-BG2 and Conn-BG3 shall be returned in five equal parts over five years corresponding to the generation capacity which has been declared under commercial operation by the Connectivity grantee.</p> <p>16.5 16.5 For an entity covered under Clause (iii) of Regulation 17.1 of these</p>	<p>Revision in Regulation 16.2 and 16.5 Treatment of Connectivity BGs</p> <p>16.2 Conn - BG2 and Conn - BG3 shall be returned within 60 days from the date of SCOD of the project</p> <p>16.5 [For an entity covered under Clause (iii) of Regulation 17.1 of these Regulations, Conn-BG1 shall be returned within one month of commencement of</p>	<p>The overall objective of the Govt. of India is to promote renewable energy capacity addition by 2030. In line with CEA optimal generation mix by 2029-30 report, 292 GW of solar capacity and 100 GW of wind capacity is the expected installed capacity of the country. To ensure such capacity addition in the country, artificial barriers such as time bound restriction on release of ConnBGs amounts to blockage of credit limit/capital. This credit limit/capital if unlocked may allow the developers to participate in subsequent bids/make new connectivity applications which is in line with the overall objective of the Govt. of India.</p>

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	<p>Regulations, Conn-BG1 shall be returned within one month of commencement of drawal of power. Conn-BG3 and Conn-BG2, as available, shall be returned in five equal parts over five years after commencement of drawal of power at the end of financial year or within one month of expiry of period of GNA, whichever is earlier</p>	<p>drawal of power and Conn-BG2 and Conn-BG3, as available, shall be returned in five equal parts over five years within 60 days after commencement of drawal of power.</p>	<p>As per new Bidding Guidelines for RE projects issued by the Ministry of Power (MoP), 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 per its rated capacity. Further, LoA/PPA have been made a eligible criterion for making an application of connectivity. Moreover, such connectivity application based on LoA/PPA cannot be diverted for use for any other project(s) or any other location. Therefore, it is already an important safeguard for the CTUIL and REIA to ensure that once the PPA is signed, the power generated from such project will utilise the connectivity so granted based on the LOA/PPA (issued by concerned REIA) will be injected into the grid for the PPA duration which is 25 years.</p> <p>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.</p> <p>Accordingly, it is requested that Hon'ble Commission may review this clause and allow the Conn BGs to be returned within 60 days from the date of SCOD of the project. This will enable the developers to utilise the unblocked credit limit/capital to apply as EMD or connectivity application for subsequent projects.</p>

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18	<p>Regulation 17.1.</p> <p>The following entities shall be eligible as Applicants to apply for grant of GNA or for enhancement of the quantum of GNA:</p> <p>(i) State Transmission Utility on behalf of intra-State entities including distribution licensees;</p> <p>(ii) A drawee entity connected to intra-State transmission system;</p> <p>(iii) A distribution licensee or a Bulk consumer, seeking to connect to ISTS, directly, with a load of 50 MW and above;</p>	<p>Revision to Regulation 17.1</p> <p>The following entities shall be eligible as Applicants to apply for grant of GNA or for enhancement of the quantum of GNA:</p> <p>(i) State Transmission Utility on behalf of intra-State entities including distribution licensees;</p> <p>(ii) A drawee entity connected to intra-State transmission system;</p> <p>(iii) A distribution licensee or a Bulk consumer connected to intra-state system and seeking to connect to ISTS, directly, with a load of 50 MW and above;</p>	<p>The appendments in the Regulations are suggested to ensure that the entities which are connected to the distribution system of a state are also made eligible for procuring renewable power through GNA_{RE}.</p> <p>It has been observed that the due to the term “intra-state transmission system” being mentioned in the Regulations, the enabling provision for the discom connected entities is not available. Therefore, this appendment is to provide clarity to implementation agencies for allowing discom connected entities to seek drawl of power from ISTS</p> <p>17.1 (iii) Dual connectivity: The provision of dual connectivity for green hydrogen/green ammonia projects is currently being evaluated at appropriate forum. To ensure RTC availability of power, RE projects connected to STU and ISTS network are being envisaged for supplying power for production of green hydrogen/green ammonia. This provision is to ensure that the power drawl capacity from RE projects connected to STU as well as CTU is available fo such projects to run their electrolyser on a 24x7 mode.</p>
19.	<p>Regulation 20.4</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 specified date, for a specified quantum, and for a specified period of more than eleven months:</p>	<p>Revision of Regulation 20.4</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 specified date, for a specified quantum, and for a specified period of more than eleven months:</p>	

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	<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 GNA_{RE}:</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 GNA_{RE}:</p> <p>Provided that the consumers which are already connected and applying for the same load, consent of the concerned STU shall be provided within a period of thirty (30) days from the date of application, failing which it would be considered a deemed consent.</p>	
20	<p>Regulation 3.6 of the Principal Regulations</p> <p>All applications for grant of Connectivity received from the Applicants covered under Regulation 4.1 of these regulations, during the month by 2400 hours of the last day of the month, shall be processed together. The inter-se priority of applications shall be accorded as per the date and time of receipt of the application, wherever required.</p>	<p>Regulation 3.6 of the Principal Regulations</p> <p>All applications for grant of Connectivity received from the Applicants covered under Regulation 4.1 of these regulations, during the month by 2400 hours of the last day of the month, shall be processed together. The inter-se priority of applications shall be accorded as per the date and time of receipt of the original application, wherever required.</p>	<p>As per the practice, it is observed that the applications for connectivity are reverted by CTUIL for curing the deficiencies. The original timestamp of the application is lost once the application is reverted for deficiencies. The time stamp on which the corrected applications and submitted is considered for all purposes thereafter.</p> <p>It is requested that the time-stamp of the original application may be considered for determination of seniority or FIFO as all the stakeholders are granted equal time post submission of application for curing any deficiencies.</p>

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21	<p>Existing Clause 24.6 (1) (a) (ii)</p> <p>“(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>and Existing Clause 24.6 (1)(d)(ii)</p> <p>“(ii) six months after the scheduled date of commercial operation for generating station(s) being set up without LOA or PPA.”</p>	<p>Request to include following phrase in bold below for clause 24.6 (1)(a)(ii):</p> <p>“(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. 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>Request to include following phrase in bold below for clause 24.6 (1)(d)(ii):</p> <p>“(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.”</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, 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> <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, 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</p>

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			<p>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>
22	<p>New Clause suggested</p> <p>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.</p>		<p>This is to ensure that the in view of difficulties faced in acquiring land parcels or due to any reasons thereof which affect the developer's ability to setup the project capacity which is commensurate to the connectivity application. Such applicants may be allowed to the shift their connectivity from one substation to another substation within the same state subject to availability of capacity at that substation.</p>
23	<p>A new Clause, namely Clause (6) may be added after Clause (5) of Regulation 11A of the Principal Regulations as under</p> <p>Documents pertaining to Clause (1), (2) and (3) of Regulation 11A submitted by the Group Company of the connectivity grantee which is REGS (other than Hydro generating station) or ESS (excluding PSP) covered under clause (xi)(c) of Regulation 5.8 or Renewable power park developer covered under clause (vii)(c) of Regulation 5.8 of these regulations shall be acceptable for the fulfilment of conditions subsequent by the connectivity grantee</p>		<p>In order to mitigate the risk of connectivity, Developers tend to apply connectivity via BG route before securing a bid or project. Since there is not much of clarity around which subsidiary shall then execute the project, the connectivity is secured in the holding company / platform company. Later once the project is secured, it is from compliance of law perspective ideal to execute the project via a subsidiary/group company/100% owned subsidiary. In this philosophy, the connectivity is allowed to be utilized by subsidiary who is developing the project.</p> <p>Considering the a new company unable to submit BGs or procure land due to no financial strength, the parent company on its behalf submits the required BG for connectivity. Moreover, as per the project finance practices, a financial closure of the project and equity infusion can be made in the company which is executing the project and not the parent company. Thereafter, once the project is housed in the new</p>

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			<p>company, the required documents in accordance with Clause 11A will be submitted by the group company which is executing the projects.</p> <p>We request the Hon'ble Commission to consider allowing the documents to submitted by the Group Company of the Connectivity Grantee in compliance with Regulation 11A.</p>
24	<p>Inclusion of new Clause 24.6 (3)</p> <p>“(3) Upto the revocation, the applicant has to furnish the delay charges as stipulated in Sharing Regulations and amended from time to time.”</p>		<p>For sake of ample clarity, a reference to delay penalty as stipulated in “CERC Sharing of inter-State Transmission Charges and Losses Regulations, 2020” must be made so that applicant is aware of consequences of delay in toto rather than referring separate regulations issued by hon'ble Commission.</p>

Additional suggestions for kind consideration of Hon'ble Commission

- a) Inclusion of PSP / ESS : The Regulations are silent on the provision of application for connectivity by PSP/ESS. These projects are being envisaged as the link between two intermittent renewable energy sources to provide balancing and round-the-clock support to renewable energy. The Commission may consider providing a set of guidelines for the application and grant of connectivity by the PSP/ESS. Several state agencies are coming out with tenders for allotment of PSP capacity. Further, there have been tenders for procuring power from PSP Projects. Accordingly, there is a need for a mechanism to be developed for granting connectivity to such projects.
- b) In accordance with the current mechanism, a bulk consumer (50MW) connected to connected to intra-state system who is interested to procure RE-RTC power from RE hybrid projects which are multi-located (eg. Wind project setup in Tamil Nadu and Solar Project in Rajasthan). Such bulk consumer located in Odisha) has to apply for two separate GNA_{RE} despite the overall quantum of power drawl not exceeding 50 MW in any time block. The extant mechanism does not take into account the quantum of power drawl but considers the location of power sources for grant of GNA_{RE}. It is suggested that for such bulk consumers, the provision of a single GNA_{RE} may be considered.

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- c) Connectivity Grantees may be allowed to change the date from which the effectivity of Connectivity is required till the issuance of final grant of Connectivity. This shall enable the grantee to effectively plan their project and also to eliminate some of the procedural delays if any faced in acquisition of land, registration with appropriate agencies etc which are beyond the control of the grantee. Moreover, this also eliminate the issues related to mismatch between the date of effect of connectivity/GNA and SCoD of the project.
- d) Clarity may be provided on the Treatment (discharge/encashment) of Land BG(s) upon withdrawal/cancellation of Connectivity at different stages such as before issuance of in-principle grant / after submission of Conn-BGs / before final grant etc.
- e) The validity duration of Conn-BG may be clarified in the Regulations and it may be considered lower in comparison with existing validity duration prescribed by CTUIL (GNA duration + 18 months + 1 yr additional claim period). This is to ensure that the banks/FIs who would be issuing the BGs may be fully aware that the validity of BG being sought by the Applicant(s) is line with the Regulations which is a legally binding document and not as per any advisory issued by the CTUIL.
- f) As the Hon'ble Commission may be aware, the margin availability at existing sub-stations in certain RE potential regions is NIL including at the upcoming substations which are under development. New substations have their tentative date of commissioning in 2027-28 which makes it a large validity duration of Conn-BGs. We also request to kindly consider the overall validity of the BG to be of reasonable duration as banks/Fis find it difficult to issue BGs for validity more than 4 years from the date of issuing BG. Grantees may be allowed to furnish Conn-BGs with a reasonable validity with undertakings to renew them from time to time to meet the prescribed timelines as per Regulations.
- g) To ensure optimum utilisation of transmission infrastructure built at public expense, allocation of terminal bays commensurate with the overall power evacuation capability is required. This may result in allocation of terminal bays to more than one grantee (s) in cases of project capacities being developed lower than the threshold power evacuation capacity of the transmission infrastructure available. This renders the grantee to share the terminal bay at the whims and fancies of the grantee which has been initially allotted the terminal bay. In cases where in the 2nd grantee is able to construct and commission the project earlier than the SCoD of the original grantee, power evacuation from the project is withheld till such project of the original grantee is commissioned.

These issues arise as there are no guidelines in place by the Hon'ble Commission or CTUIL regarding the sharing of terminal bay(s). We request the Hon'ble Commission to kindly direct the CTUIL to develop Procedure/guidelines for terminal bay sharing after due consultation with stakeholders.
