

Comments / Suggestions on Draft CERC (Connectivity and General Network Access to the inter-State Transmission System) (Second Amendment) Regulations.

Additional Comment: On Clause 17.1(ii)

➤ **Existing Clause:**

- A drawee entity connected to intra-State transmission system;

➤ **Suggestion :**

- A drawee entity connected to intra-State ~~transmission~~ system;

➤ **Explanation :**

- To ensure clarity and uniform understanding, we request the removal of the word “Transmission” from the clause to address interpretation discrepancies in existing regulations.
- It will promote consistency regarding consumers' access to power procurement from the Inter State Network while being connected to a Distribution Company (Discom).

Amendment required in Clause 20.4

➤ Existing Clause:

- **Require STU NoC for GNA-RE:** Entities connected in Intra-State Network can apply for GNA-RE, from a specified date, for a duration exceeding eleven months. However, **entity must secure consent from the relevant State Transmission Utility concerning transmission capacity availability** within the intra-State transmission system for the specified GNARE quantum and duration.

➤ Suggestion :

- Concerned STU should provide its consent in a time bound manner of 15 days OR Deemed Consent from the date of application, subject to the existing consumer is not increasing existing load / contract demand.

Amendment Draft Clause 11 A(5)

➤ Existing Draft clause

- Granted Connectivity under LoA route and their LoA or PPA is terminated before the project's COD due to reasons not attributable to them.
- Applicant can convert the Connectivity to without changing the start date.
- Connectivity is converted from LoA or PPA to Land, the remaining Connectivity will be revoked.
- Subsequent conversion from Land to LoA or PPA is not permitted.

➤ Suggestions:

- We appreciate the Commission's approval for converting connectivity from LoA to Land route upon termination of LOA or PPA. We also suggest following amendments:
 - **Revision of LoA (exiting connectivity) into land route**, in case of location change permitted by REIA
 - **LOA to LOA Substitution** of the same or different REIAs.
 - **Include LOA to Land BG Route**: Allow conversion to Land BG route as well.
 - **Allow Reverse Conversion**: Enable developers to revert BG route back to LoA route if needed.
 - **Extend Connectivity Start Date**: Allow : Permit conversion between LoAs a new start date 18 months from conversion.

Additional Comment:

➤ Conversion of Partial Connectivity from BG / Land based to LoA:

- We propose introducing a provision allowing developers to convert partial Land-based connectivity into LoA-based connectivity.
- Considering connectivity usage between parent and subsidiary entities, LoA substitution should be permitted for either.
- This flexibility enables developers to align connectivity with actual secured capacity through the REIA process, ensuring adaptability and practicality in project development.

Amendment - Regulation 5.8 (XI) (d)

➤ Existing Draft Clause:

- 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.

➤ Suggestion on Draft Clause:

- ~~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.~~

➤ Explanation:

- Hon'ble Commission proposed GO along with Land possession. As we know, Land is an indicative of the developer's commitment and seriousness.
- Therefore, to simplifying connectivity application, we suggest the use of existing land route instead of additional GO provisions.

Amendment to Regulation 11A (2) of the Principal Regulations:



➤ Existing Draft clause:

- Applicants with final connectivity, such as REGS (excluding Hydro) or ESS (excluding PSP), must provide proof of investing 10% of the project cost, including land expenses, through equity, at least 12 months before starting operations. If the commercial operation date is extended, they can extend this deadline by up to 12 months.

➤ Suggestion :

- Applicants with12 months. Compliance can be shown by the Connectivity Applicant, its parent, subsidiary, or the entity implementing the project under the Renewable Park, with possible extensions of up to 12 months by REIA or authorized agencies, excluding transmission infrastructure delays.

➤ Explanation:

- We suggest being flexible with transition cases, letting developers follow existing GNA Regulations linked from final connectivity grant, considering project challenges.
- Additionally, recommending compliance for connectivity use between parent-subsidiary entities and entities in Renewable Parks.

Amendment to Regulation 3.5 of the Principal Regulations

➤ Existing Draft Clause:

- The Nodal Agency checks applications for Connectivity or GNA. If issues are found, applicants are notified within **18** days. They have **one week** to fix them. If not fixed, the application is closed, forfeiting 20% of the fee. The remaining 80% fee is refunded within 15 days of closure.

➤ Suggestion on Draft clause:

- In the draft Amendment, the Nodal Agency's timeline has been extended to **18** days. We propose aligning the applicants' timeline for rectifying deficiencies to a maximum of **18** days from the date of notification to address the issues.

➤ Explanation:

- To ensure thorough compliance and effective resolution, we suggest aligning the timeline for applicants to rectify deficiencies with the Nodal Agency's extended timeline from one week to 18 days.

Amendment - Regulation 5.8 clause VII (c)

➤ Existing Draft Clause :

- BG up to 1000MW - Rs. 10 lakh/ MW and more than 1000MW - Rs. 100 Crore plus Rs. 5 lakh/ MW, in lieu of ownership or lease rights or land use rights of land for 50% of the land:

➤ Suggestion on Draft Clause:

- BG up to **100 MW** - Rs. 10 lakh/ MW and more than 1000MW - Rs. **10** Crore plus Rs. 5 lakh/ MW, in lieu of ownership or lease rights or land use rights of land for 50% of the land:

➤ Explanation:

- Large Bank Guarantees are causing financial strain on developers, leading to capital blockage and project delays; extending reduced guarantees to developers for connectivity up to 1000 MW can alleviate this burden.

Amendment Clause 11A (3)

- **Existing Draft clause:**
 - Financial closure : Within 12 months before the scheduled commercial operation date.
- **Suggestion on Draft clause:**
 - ~~Financial closure : Within 12 months before the scheduled commercial operation date.~~
- **Explanation:**
 - We recommend eliminating the time-bound requirement for achieving financial closure in the GNA Regulation.
 - Developers exhibit their commitment through significant financial investments and substantial Bank Guarantees when securing projects via REIA or Land routes.
 - Achieving Financial Closure lies solely with developers, entailing associated risks. Additionally, developers face Transmission charges and the risk of connectivity revocation if SCOD is not promptly met.



Thankyou..