



Ref: CERC/sharing-reg/2024/111124

Date: 11.11.2024

To,

The Secretary
Central Electricity Regulatory Commission
6th, 7th & 8th Floors, Tower B, World Trade Centre,
Nauroji Nagar, New Delhi- 110029

Subject: Comments/suggestions on Draft Central Electricity Regulatory Commission (Sharing of Inter-State Transmission Charges and Losses) (Fourth Amendment) Regulations, 2024.

Dear Sir,

We sincerely appreciate the Central Electricity Regulatory Commission's effort in promoting renewable energy in the country. We are grateful for your continued guidance, and assurance you have offered, in helping the renewable sector progress by enabling a robust and healthy environment to thrive in the country. We would like to thank you for the opportunity to raise our key concerns & suggestions on the "Draft Central Electricity Regulatory Commission (Sharing of Inter-State Transmission Charges and Losses) (Fourth Amendment) Regulations, 2024."

We have enclosed our comments / suggestions on the Draft Regulations for kind consideration of the Hon'ble Commission.

Yours sincerely,

For O2 Power Private Limited

Dharmendra Gupta

Authorized Signatory

Comments / Suggestions on draft Central Electricity Regulatory Commission (Sharing of Inter-State Transmission Charges and Losses) (Fourth Amendment) Regulations, 2024.

Sr. No.	Proposed in the Draft	Proposal by O2 Power	Rationale
1.	<p>Clause 7:</p> <p>“..... on account of any Force Majeure event including non-availability of transmission or for reasons not attributable to the REGS, and the project achieves COD before the extended date, it shall be eligible for a waiver of inter-state transmission charges as if the said REGS had achieved COD on 30.6.2025:</p> <p>Provided that, for the purpose of this Clause, such extension shall not exceed a period of six months at a time and not more than two times.”</p>	<p>Clause 7:</p> <p>“..... on account of any Force Majeure event including non-availability of transmission or for reasons not attributable to the REGS, and the project achieves COD before the extended date, it shall be eligible for a waiver of inter-state transmission charges as if the said REGS had achieved COD on 30.6.2025:</p> <p>Provided that, for the purpose of this Clause, such extension shall not exceed a period of six months at a time and not more than two times.”</p>	<p>In the proposed clause, the Hon'ble Commission has granted an extension of the waiver for projects that have a scheduled Commercial Operation Date (COD) before 30.06.2025 but are unable to meet this deadline due to a Force Majeure event. This extension is crucial for projects impacted by unforeseen circumstances beyond the control of the developer, such as natural disasters, transmission delay, or other force majeure conditions. However, the proposed condition restricts the waiver’s applicability to projects that can achieve commissioning within one year of the granted extension.</p> <p>While we understand the rationale for imposing time limits, we believe this one-year restriction may not be feasible for projects facing prolonged Force Majeure events. Certain circumstances, such as extended delays due to any Force Majeure event including non-availability of transmission or for reasons not attributable to the REGS, may take more than a year to resolve.</p> <p>In such cases, developers would be unjustly penalized, losing the benefit of the waiver despite facing legitimate delays that are entirely outside their control. The current clause, therefore, introduces uncertainty for developers dealing with prolonged Force Majeure</p>

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			<p>events, which could severely impact project timelines and financial viability.</p> <p>Given this, we respectfully request to the Hon'ble Commission for reconsider the condition limiting the waiver extension to one year. We propose a more flexible approach that takes into account the duration and severity of the Force Majeure event, allowing developers sufficient time to recover from such events without the risk of losing the waiver benefit.</p> <p>In view of the above, we kindly request the removal of the provision limiting the waiver benefit to a one-year extension. This would ensure fairer treatment of projects affected by circumstances beyond their control, while still upholding accountability for timely project completion.</p>
2.	<p>Clause 7:</p> <p>“..... on account of any Force Majeure event including non-availability of transmission or for reasons not attributable to the REGS, and the project achieves COD before the extended date, it shall be eligible for a waiver of inter-state transmission</p>	<p>Clause 7:</p> <p>“..... on account of any Force Majeure event including non-availability of transmission or for reasons not attributable to the REGS, and the project achieves COD before the extended date, it shall be eligible for a waiver of inter-state transmission charges as if the said REGS had achieved COD on 30.6.2025:</p>	<p>As per the current proposed amendments, clarification has been provided for projects with a Commercial Operation Date (COD) on or before 30.06.2025, allowing them to receive a waiver if they require extensions due to Force Majeure events or other related reasons. This clarification ensures that these projects are not unfairly penalized for delays beyond their control. However, no similar clarification has been provided for projects with CODs before the next threshold timelines of 30.06.2026, 30.06.2027, and 30.06.2028, which may also be affected by unforeseen circumstances leading to delays.</p>

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	charges as if the said REGS had achieved COD on 30.6.2025:	<p>Similarly, for REGS based on wind or solar sources, eligible for a waiver of inter-state transmission charges and having a scheduled COD on or before 30.06.2026, 30.06.2027, or 30.06.2028, if granted an extension to achieve COD by the competent authority, they should still be eligible for the waiver of that period, if achieve COD on or after the respective dates of 30.06.2026, 30.06.2027, or 30.06.2028.</p>	<p>Projects with CODs near or before these future thresholds are equally susceptible to Force Majeure event including non-availability of transmission or for reasons not attributable to the REGS, which could delay their commissioning. Without a clear provision addressing such cases, these projects may face uncertainty regarding the applicability of the waiver, leading to potential financial and operational challenges. This lack of clarity could undermine the confidence of developers, financiers, and other stakeholders who rely on a consistent and transparent regulatory framework.</p> <p>We, therefore, request the Hon'ble Commission to consider extending the same treatment to projects with CODs before the subsequent threshold timelines of 30.06.2026, 30.06.2027, and 30.06.2028. This would ensure a uniform and fair approach across all projects, offering them the necessary relief and flexibility to navigate delays caused by legitimate Force Majeure events, while maintaining the accountability required for project completion.</p>