AVAADA ENERGY PRIVATE LIMITED
(Formerly known as 'Giriraj Renewables Private Limited')
Demerged Undertaking of Welspun Energy Private Limited
CIN: U80221MH2007PTC336458

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To

Date: 10th December 2025

The Secretary
Central Electricity Regulatory Commission (CERC)
New Delhi.

Kind Attn: Shri

Subject: Submission of Suggestions on "Staff Paper on Proposal for allocation of Connectivity granted (on LOA route) where the signing of the PPA/PSA is getting delayed".

Dear Sir/ Mam,

We are pleased to submit the enclosed note containing our suggestions and observations on the Staff Paper issued by the Hon'ble Commission regarding "Proposal for allocation of Connectivity granted (on LOA route) where the signing of the PPA/PSA is getting delayed", dated 25.11.2025.

The proposed framework outlined in the Staff Paper is a timely and important step towards streamlining connectivity allocation, supporting efficient utilisation of transmission capacity, and ensuring clarity for developers who have been granted connectivity through the LoA route. Based on our experience across multiple renewable energy projects and interactions with implementing agencies, we have compiled constructive inputs with the intent of improving procedural clarity, reducing developer-side uncertainties, and ensuring smooth implementation of the proposed mechanisms.

The enclosed Note and Annexure provide proposal-wise suggestions, including observations on timelines, substitution conditions, financial securities, MEC charges, conversion flexibility, exit options, and auction framework. These have been prepared keeping in view the practical challenges faced by the industry and the need for balanced regulatory provisions to maintain viability of ongoing projects.

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We request the Hon'ble Commission to kindly review the enclosed submissions as Annexure 1 and consider the suggestions while finalising the proposed framework. We remain available for any further input, discussions, or stakeholder consultations as may be required.

Thanking you,
Yours sincerely,

Avaada Energy Pvt. Ltd.

Angshuman Rudra
General Manager - BD
Avaada Energy Private Limited

Enclosed:
Annexure-I: Issue-Wise Summary Table Referencing Staff Paper Provisions

Annexure:1

Sr. No.	Reference (Proposal No.)	Particulars	Remarks
1	Proposal 1 – Point 1 & 3	*"Submit land document within 12 months and shall achieve financial closure within 15 months… SCOD shall be 18 months from the date of conversion."*	We request the following timelines under Option 1 to align with realistic project development stages: SCOD from the date of conversion should be 24 months instead of proposed 18 months. Both land and FC compliance should be 6 months prior to SCOD.
2	Proposal 1 – Point 1	*"The Connectivity grantee shall have the option to exit from the LoA route without surrendering the connectivity… In such a case, all the Bank Guarantees (Conn-BG1, Conn-BG2 and Conn-BG3) prescribed under LoA route shall remain valid."*	We request that mismatch charges may kindly be accepted in the form of BG, considering that Performance Guarantees and financial securities are already submitted under this option and be returned in the event of commissioning of the project within 24 months.
3	Proposal 1 – Point 1	*"The entity shall continue to be liable to pay the applicable charges under the Sharing Regulations till commissioning of solar plants and allied transmission systems."*	We request that the Milestone Extension Charges (MEC) be reconsidered and rationalised in alignment with the standard REIA's RfS provisions, wherein post-commissioning performance securities are released and extension charges are kept moderate to maintain project viability. However, the current proposal specifying MEC at INR 1500/MW/day is significantly higher than the established extension charges of INR 1000/MW/day under standard REIA's RfS documents. Such elevated charges may adversely impact project viability

			and impose undue financial burden on developers. Therefore, we request that MEC charges to be brought in line with the standard RfS framework.
4	Proposal 2 – Point 3	*"Extension of SCOD for substituted PPA may be granted up to 6 months prior to the firm start date of connectivity."*	We request that the 24-month SCOD timeline and proportionate FC/land timelines may also be applied under Option 2 to maintain uniformity across conversion mechanisms.
5	Proposal 1 – Point 2	*"Connectivity granted through LOA by one REIA may be substituted by another LOA by the same REIA where PPA is already signed under such other LOA, provided that the firm connectivity start date specified in such other LOA is atleast 6 months later from the connectivity start date specified in the earlier LOA granted by Grid-India which was based on such LOA route".*	We request that developers should be allowed to convert from LOA1 to LOA2 even if the second LOA does not yet have a signed PPA, and not restrict the conversion only to those LOAs that already have a PPA.
6	Proposal 2 – Point 4	*"Failing to achieve COD, the connectivity shall be revoked… the entity is liable to pay charges under the Sharing Regulations."* .	We kindly request that MEC charges under Option 2 may be reconsidered and rationalised in alignment with the standard REIA's RfS provisions. The current proposal specifying MEC at INR 1500/MW/day to be reduced to the established extension charges of INR 1000/MW/day under standard REIA's RfS documents.
7	Proposal 3 – Point 1	*"CTU shall encash Conn-BG1 and return Conn-BG2 and Conn-BG3."*	We request that upon surrender of connectivity, Conn-BG1 to be returned.

8	Proposal 3 – Point 1	*"The Connectivity grantee shall have the option to surrender the connectivity within one month from the notification… CTU shall… allow the date of surrender."*	We request that CTUIL kindly define a clear 30-day timeline for approval of surrender requests.
9	Proposal 3 – Point 2	*"Base price for auction shall be Rs. 3 lakh/MW … Conn-BG2 for 220 kV bay (Rs. 3 Crore)… and Conn-BG3 for Rs. 2 Lakh/MW."*	We request the following considerations regarding the auction process under Option 3: The base price for bidding is very high at 3 lac/MW instead we request it to be reviewed at INR 36000/MW (12* 3000) per month instead of 3 lac/MW (converted basis monthly charges as per sharing regulations). Developers may be allowed to utilise existing Conn-BG2 and Conn-BG3 as acceptable securities during the auction stage.
10	For Future connectivity	*"Only PPA may be considered as valid document… and future connectivity may be granted through auction mechanism."*	For future applications, we kindly submit the following suggestions: Projects with executed PPA with DISCOM/REIA, or those under the land route, or through Expression of Interest (EoI), may also be eligible. A longer timeline (more than 24 months) may be permitted for entities submitting EoI rather than undergoing an auction process. Developers to be allowed to submit their EOI's for the development of projects in the upcoming substations.

