JINDAL INDIA
RENEWABLE ENERGY
Promoted by BC Jindal Group

JINDAL INDIA RENEWABLE ENERGY LIMITED
REGD. OFF: HABITAT INDIA, C-3, QUTAB INSTITUTIONAL AREA,
KATWARIA SARAI, NEW DELHI- 110016
CIN NO. U74110DL2015PLC276224

Ref. No: JIREL/RA/CERC/Secy/SP/2025-26/01
Date: 26/12/2025

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

Subject: Submission of comments 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,

We would like to introduce 'Jindal India Renewable Energy Limited' (JIREL), Renewable energy arm of B.C. Jindal Group. JIREL is an Independent Power Producer (IPP) primarily focusing on investment in developing the generating capacities based on new technologies and methods involving combined generation of wind and solar power and other emerging technologies like Battery storage system.

This is with reference to the CERC's notification No. L-1/261/2021/CERC dated 25.11.2025 wherein CERC has invited comments from stakeholders on above referred subject matter. We hereby submit our comments on the staff paper on Proposal for allocation of Connectivity granted (on LOA route) where the signing of the PPA/PSA is getting delayed attached to this latter as **Annexure-I.**

We request commission to consider our comments while finalising the staff paper.

Thanking you,
For Jindal India Renewable Energy Limited

Jindal India Renewable Energy Limited

(Authorized Signatory)

Email – info@jirel.com
Phone : 011-40841950

JINDAL INDIA
RENEWABLE ENERGY
Promoted by BC Jindal Group

JINDAL INDIA RENEWABLE ENERGY LIMITED
REGD. OFF: HABITAT INDIA, C-3, QUTAB INSTITUTIONAL AREA,
KATWARIA SARAI, NEW DELHI- 110016
CIN NO. U74110DL2015PLC276224

Annexure-I

Issue/ Concern	Rationale
The Staff Paper, under Proposal 1 (Option 3), suggests that if a developer surrenders connectivity, such capacity should immediately be put to auction. We submit that this approach may lead to barriers to entry in renewable space as connectivity in the proximity of resource rich locations will gather premium during auction making it feasible only for deep pocketed players. This will create a barrier to entry.	Co-location of renewable resources and grid access is a key driver of low-cost renewable generation, and auctioning connectivity will mechanically push tariffs upward by adding an uncontrollable premium component to project costs. This runs counter to the policy objective of supplying reliable, quality power at reasonable rates to consumers. The National Electricity Policy and related planning documents explicitly aim to ensure supply of reliable and quality power at reasonable rates while protecting consumer interests. The auction of connectivity will Instead of enabling optimally sited, co-located and efficiently integrated projects, may favour those who can pay more for connectivity rather than those who can produce the most cost-effective and reliable renewable power. In view of above we request commission to drop the idea of auctioning the connectivity rather a vacated connectivity shall be allotted to next applicant on first come first serve basis.
The proposal to grant future connectivity only through an auction mechanism **(Proposal 2 Option II)** will force developers to lock in equity for long gestation periods (6-8 years) especially for the Sub-stations where the Start date of connectivity has a lead time of 3-4-5 years. This will augment the density of generation projects at resource rich states leading to an increase in complexity during development of project.	A twin-auction structure (first for evacuation/connectivity and then for project award) will inevitably push tariffs upward, and any mitigation via higher CUF will drive developers to a few resource-rich states while worsening the stress on already-struggling projects. Under a twin auction, developers must first pay a market-determined premium for scarce evacuation capacity and then compete again in a tariff auction, loading two layers of competitive rent into the same project. Both premiums ultimately flow into project capex and financing costs, so the final discovered tariff must rise to maintain project

Email – info@jirel.com
Phone : 011-40841950

	viability, eroding the cost advantage that reverse auctions have delivered so far. Co-locating wind and solar (and, where viable, storage) can raise CUF substantially. Higher CUF spreads fixed costs, may offset the impact of twin auctions on the levelized tariff. This will lead to **Geographic concentration in RE-rich states.** This will intensify the existing pattern where India's "renewables-rich" states already host disproportionately high shares of variable RE and face growing integration and system-operation challenges. The upcoming projects will face more challenges with respect to project development specifically availability of cheap land will be a big issue. Superimposing twin auctions on this environment will augment the plight by increasing upfront cash outflows, tightening bid margins, and heightening the risk that even minor delays or curtailment render projects financially unviable. Ultimately the pace of capacity addition will retard and India may miss the ambitious target of 500GW by 2030. In view of the above concerns on tariff escalation and geographical concentration and affordable consumer tariffs, the proposal to auction future connectivity should be withdrawn.