एनटीपीसी
NTPC
A Maharatna Company

एन टी पी सी लिमिटेड
(भारत सरकार का उद्यम)
NTPC Limited
(A Govt. of India Enterprise)

केन्द्रीय कार्यालय / Corporate Centre

Date: 26.12.2025

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

Subject: NTPC 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.

Sir,

The Hon'ble Commission has issued a Staff Paper on the proposal for allocation of connectivity granted (on LOA route) where the signing of the PPA/PSA is getting delayed and has invited comments from various stakeholders on the proposal.

In this regard, please find enclosed the submissions of NTPC on the proposal.

Thanking you,

Yours sincerely

P. B. Venkatesh

(P.B. Venkatesh)
GM (Commercial)

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NTPC Submissions on Staff Paper on Proposal for allocation of Connectivity granted (on LOA route) where the signing of the PPA/PSA is getting delayed					
Sl.no	**Issue**	**Para no**	**Original Clause**	**Proposed Modification**	**Rationale / Justification**
1	**Substitution of connectivity of LoA1 (no PPA) to LoA2 (PPA signed)**	**5.4 Proposal 1 Option II (i)**	An entity may opt for substitution of the LoA1, with a PPA signed under another LoA2, with the condition that the firm date of start of connectivity of LOA2 is at least 6 months later than the firm start date of connectivity of LOA1. **This option is proposed to address situations where** a PPA under LoA2 requires connectivity earlier than the Connectivity's firm start date, but due to non-availability of connectivity, Connectivity was granted with a later firm start date.	An entity may opt for substitution of the LoA1, with a PPA signed under another LoA2, with the condition that the firm date of start of connectivity of LOA2 is at least 6 months later than the firm start date of connectivity of LOA1. **This option is subject to condition that** a PPA under LoA2 requires connectivity earlier than the Connectivity's firm start date, but due to non-availability of connectivity, Connectivity was granted with a later firm start date.	As per the proposal, shifting of connectivity from LoA1 to LoA2 is to address situations where a PPA under LoA2 requires connectivity earlier than the Connectivity's firm start date. The enabling condition (LoA2's earlier requirement but delayed allocation due to non-availability) is missing in draft. Hence it is proposed to make the same as a pre condition for shifting the Connectivity as this; a) Aligns with intents in the paper. b) Ensures substitution is used only for genuine connectivity-timing mismatch.
2	**Voluntary Surrender of Connectivity – Refund of Conn-BGs**	**5.4 Proposal 1 Option III (i)**	An entity may apply to surrender such Connectivity to CTUIL, within one month. In such a case, CTU **shall encash Conn-BG1 and return Conn-BG2 and Conn-BG3.** Such entity shall be liable to pay the applicable charges under the Sharing Regulations until the date of surrender of the Connectivity is allowed by the CTUIL.	An entity may apply to surrender such Connectivity to CTUIL, within one month. In such a case, CTU **shall return Conn-BG1, Conn-BG2 and Conn-BG3.** Such entity shall be liable to pay the applicable charges under the Sharing Regulations until the date of surrender of the Connectivity is allowed by the CTUIL.	As per the Staff Paper, in case of surrender of connectivity by entity, Conn-BG1 shall be encashed by CTUIL. It is suggested that Conn BG1 may be returned to the surrendering entity for the following reasons: a) Non-signing of PPA is not entirely developer's fault and it would not be fair to attribute the same to the developer. This has also been rightly acknowledged by the Staff paper. b)Encashing Conn-BG1 ₹50 lakh is likely to discourage timely surrender, and may lead to project delays, litigations, and blocking of connectivity resources. c) Voluntary surrender of connectivity by developer proposed by Staff Paper is a one-time dispensation, which needs to be encouraged and not penalized.

3	**Prioritising the Allocation of surrendered Connectivity**	**5.4 Proposal 1 Option III (iii)**	After surrender of the Connectivity, **such Connectivity shall be open for auction for all the developers in the following manner:** a. CTUIL shall be the Nodal Agency for calling the auction of the vacated Connectivity and awarding the Connectivity to the successful bidder. b. Auction process shall be conducted by an agency as decided by the Commission/ Government, which may be any REIA, BPC, or any other agency having a wellestablished bidding platform.	After surrender of the Connectivity, **before auctioning, REIAs or its subsidiary / group company shall have the first right to take such Connectivity, the leftover connectivity shall be open for auction to all the developers in the following manner:** a) CTUIL shall be the Nodal Agency for calling the auction of the vacated Connectivity and awarding the Connectivity to the successful bidder. b. Auction process shall be conducted by an agency as decided by the Commission/ Government, which may be any REIA, BPC, or any other agency having a well established bidding platform.	For Connectivity granted under the LOA that is being surrendered by an entity, the first right to take such Connectivity shall lie with the REIA or its subsidiary or group company that has awarded the LOA through a bidding process conducted in accordance with the RfS provisions and TBCB guidelines. This will help ensure faster deployment of renewable energy and effective utilisation of the relinquished Connectivity.