========== Forwarded message ==========
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Date: Fri, 26 Dec 2025 17:46:56 +0530
Subject: Comments/Suggestions on CERC Staff Paper - Reliance Industries Limited
========== Forwarded message ==========

Dear Sir/ Ma'am,

We, Reliance Industries Limited, welcome CERC issuing staff paper and inviting suggestions on 'Staff Paper on Proposal for allocation of Connectivity granted (on LOA route) where the signing of the PPA/PSA is getting delayed.

We would like to submit our suggestions as per enclosed Annexure. Request to consider the same and provide us opportunity to present views in the public hearing of the staff paper.

warm regards
Amit Aggarwal
President- Regulatory Affairs (Energy)
Reliance Industries Limited

Suggestions /Comments by Reliance Industries Limited (RIL) on 'CERC Staff Paper on Proposal for allocation of Connectivity granted (on LOA route) where the signing of the PPA/PSA is getting delayed'

Sr. No.	Sl. No	Suggestion / Comment	Rationale
1	**5.4** **Proposal 1**	An entity that has been granted Connectivity based on LoA, where the signing of the PPA is delayed for more than **6 months** (instead of proposed 12 months) should be considered for options under proposal.	Delay in signing of PPA by 6 months is reasonable and sufficient, any further extension of this window shall dilute the purpose staff paper that is to effective utilisation of transmission system, timely completion of RE projects and to deter non serious applicants.
2	**5.4** **Proposal 1, Option I, Sl. No. (iii)**	The scheduled date of commercial operation (SCOD) of such entity from the date of conversion shall not be later than **12 months** (instead of proposed 18 months)	This clause applies to PPAs delayed by 12+ months post-LOA. The developer would have already got sufficient time since connectivity is obtained. Hence after conversion, 12 month is sufficient time to complete the project. Also, this will ensure only serious developers would use this option.
3	**5.4** **Proposal 1, Option I, Sl. No. (v)**	In the staff paper proposes further period of 12 months from date of conversion for providing land documents and further period of 15 months from date of conversion for submitting financial closure. We suggest that on the date of conversion, the applicant **must possess 50% of the land or submit the Land BG for 50% land** requirements. And once the conversion takes effect, the applicant must provide land documents for 100 % of the land requirement within 6 months from date of conversion.	The window of 12 months and 15 months without commitment of 50% land requirements as on date of conversion is unjustified. This clause applies to PPAs delayed by more than 12 months post LOA. A committed developer would already have started land acquisition, though FC would follow the PPA. The proposed 15-month timeline in the draft is unreasonable.

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4	**5.4** **Proposal 1, Option I, Sl. No. (vii)**	The entities whose revocation date has already been triggered due to non-submission of the Financial Closure document or COD shall be treated in terms of the GNA Regulations. The strict enforcement of this provision is required and ensured to be implemented	Developers often link Financial Closure to transmission progress and secure extensions without penalties. Such practices should not allow indefinite continuation. Minor penalties in lieu of default of obligations should be desisted.
5	**5.4** **Proposal 1, Option I, Sl. No. (viii)**	For projects with PPA delay <12 months, land compliance should be: 12 months from original connectivity grant OR 6 months from exercising the option, whichever is later	Prevents developers from squatting on connectivity and initiating land acquisition irrespective of new LOA/PPA timelines.
6	**5.4** **Proposal 1, Option I, Sl. No. (ix)**	The staff paper proposes to seek additional time up to three months after the deadline with payment of Milestone Extension Charges. Once the default is there in commissioning furnishing land document/ financial closure, the same should be treated in accordance with GNA regulations.	This is again to prevent the procedural hassles to disputing the lack of progress on compliance to various milestones due to various reasons increase the period of squatting The proposed advance payment of Milestone Extension Charges (MEC) at the Rs 1500/ MW/ per day, (which are very nominal) will again delay the project endlessly. Therefore, there should NOT be any provision such charges which shall only encourage applicant to further delay the milestone.
7	**5.4** **Proposal 1, Option I, Sl. No. (x)**	In case Land Documents or financial closure is not furnished by the extended timeline or COD is not achieved within the stipulated timeline or the extended timeline, connectivity for the proportionate quantum shall be revoked and	Delay in commissioning or furnishing of land document or Financial Closure should be treated accordance GNA regulations immediately once the default is observed.

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		Conn-BG shall be treated in terms of Regulations 24.3 and 24.4 of the GNA Regulations. The Performance Bank Guarantee shall also be encashed. This provision should be implemented immediately in line with GNA regulations immediate once the default is observed.	No further extension thereafter should be provided. Such provision of seeking relief in achieving milestone by payment of nominal MEC charges or any form should not be allowed. This will otherwise dilute the purpose of effective utilisation of transmission system.
8	**5.4** **Proposal 1, Option I, Sl. No. (xi)**	The provision should be deleted The amount received towards the MEC, as above, or towards the encashment of the Conn-BGs PBG, shall be used to reduce the monthly transmission charges of the DIC under the Sharing Regulations.	---same as above---
9	**5.4** **Proposal 1, Option I, Example**	For Part Connectivity Relinquishment – there should not be any Conn BG 2&3 encashment (and hence relinquishment acc. to Cl. 24.6 should be removed)	Developer should not be penalized for Part Relinquishment, and this should be considered under capacity under Option III. The idea of the amendment is to make relinquishment easy with a onetime amnesty with minor penalties
10	**5.4** **Proposal 1, Option II**	The proposal where an entity may opt for substitution of the LoA1, with a PPA signed under another LoA2 by the same entity with the condition that the firm date of start of connectivity of LOA2 is at least not more than 6 months later than the firm start date of connectivity of LOA1.	Since the cases with delays are in consideration, it is very unlikely that there a backup LOA2 with PPA available which has no progress at its allotted place of connectivity or with a timeline with SCOD more than 6 month later than applicable in LOA 1. This also prevents squatting of connectivity on basis of the declared substation readiness is much earlier than the actual expected date of readiness.

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			Also, there may be other factors such as PPA buyer, PPA terms etc. which may be or may not be suitable for an individual entity to exercise or limit this option and submit Land BGs.
11	**5.4** **Proposal 1, Option II, Sl. No. (ix)**	We propose to delete this. The substitution of the LoA1 with a PPA signed under another LoA2 should be allowed by the nodal agency by prior study and configurations of applications under both projects. If the granted connectivity does not meet the requirement of the LOA2, such connectivity cannot be granted as it cannot fulfil the PPA requirement.	If the granted connectivity does not meet the acquirement of the LOA2, such connectivity cannot be granted as it cannot fulfil the PPA requirement. This will conflict with the optimum utilisation of transmission assets based on project configurations.
12	**5.4** **Proposal 1, Option II, Sl. No. (xii)**	The staff paper proposes to seek additional time up to three months after the deadline with payment of Milestone Extension Charges. Once the default is there in commissioning furnishing land document/ financial closure, the same should be treated in accordance with GNA regulations.	This is again to prevent the procedural hassles to disputing the lack of progress on compliance to various milestones due to various reasons increase the period of squatting The proposed advance payment of Milestone Extension Charges (MEC) at the Rs 1500/ MW/ per day, (which are very nominal) will again delay the project endlessly. Therefore, there should NOT be any provision such charges which shall only encourage applicant to further delay the milestone.

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13	**5.4** **Proposal 1, Option III, Sl. No. (iii) (g) (iv)**	Suggested Para: The PBG shall be returned once the connectivity is granted and the grantee furnishes the Conn BG1, Conn BG2, Conn BG3 in line with CERC GNA and Connectivity Regulations 2022	The staff paper mentioned that The PBG shall be returned after successful commissioning of the Project in five equal instalments over five years corresponding to the generation capacity which has been declared under commercial operation by the Connectivity grantee. Once the auctions for connectivity are concluded and connectivity is awarded, the grantee will have to submit the Conn BG1, Conn BG2, Conn BG3 as applicable. Therefore, keeping the EMD and PBG and returning the same over the period of 5 years is not justified when such bidders have already paid premium above Rs. 3 Lakh/ MW though auction for getting connectivity.