CONTINUUM

CONTINUUM GREEN ENERGY LIMITED

(formerly known as Continuum Green Energy Private Limited and Continuum Green Energy (India) Private Limited)

To,
The Secretary,
CERC, 6th, 7th and 8th Floor, Tower B,
World Trade Centre, Nauroji Nagar,
New Delhi-110029.

Date: - 17.10.2025

Subject: Suggestions and Comments on the proposal of the Hon'ble CERC dated 10.09.2025 on determination of value of "X" for computation of the deviation (in %) for Wind and Solar (WS) Sellers from 01.04.2026 onwards under the provisions of the CERC(Deviation Settlement Mechanism and Related Matter Regulations, 2024

Respected Sir,

We are thankful for providing an opportunity for us to share suggestions and comments on the proposal of the Hon'ble CERC dated 10.09.2025 on determination of value of "X" for computation of the deviation (in %) for Wind and Solar (WS) Sellers from 01.04.2026 onwards under the provisions of the CERC(Deviation Settlement Mechanism and Related Matter Regulations, 2024.

In this regard, please find our comments provided in Annexure A, enclosed along with this letter.

We request you to kindly consider our submissions, as may be considered appropriate.

Yours Sincerely,

For Continuum Green Energy Limited.



Authorized Signatory

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Annexure: - A

<table>
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<tr><th>Sr. No.</th><th>Clause No.</th><th>Existing Clause as per the proposal dated 10.09.2025 of the Hon'ble CERC on determination of value of "X" for computation of the deviation (in %) for Wind and Solar (WS) Sellers from 01.04.2026 onwards under the provisions of the CERC(Deviation Settlement Mechanism and Related Matter Regulations, 2024</th><th>Clause suggested by CGEL in Existing Clause as per the proposal dated 10.09.2025 of the Hon'ble CERC on determination of value of "X" for computation of the deviation (in %) for Wind and Solar (WS) Sellers from 01.04.2026 onwards under the provisions of the CERC(Deviation Settlement Mechanism and Related Matter Regulations, 2024-</th><th>Suggestion and Comments</th></tr>
<tr><td>1</td><td>Para 22</td><td>22. Therefore, it is proposed that for the Existing Projects (WS Sellers), the trajectory for reduction of "X" shall be as follows:
<table><tr><td>With Effect From (w.e.f.)</td><td>Value of "X"</td></tr><tr><td>01.04.2026 to 31.03.2027</td><td>100%</td></tr><tr><td>01.04.2027 to 31.03.2028</td><td>80%</td></tr><tr><td>01.04.2028 to 31.03.2029</td><td>60%</td></tr><tr><td>01.04.2029 to 31.03.2030</td><td>40%</td></tr><tr><td>01.04.2030 to 31.03.2031</td><td>20%</td></tr><tr><td>01.04.2031 onwards</td><td>0%</td></tr></table></td><td>22. Therefore, it is proposed that

a) All existing Wind and Solar (WS) Projects shall be continued to be treated as per the provisions of 2024 regulation without any change in the formula for calculation of deviation percentage and tightening of bands .

b) For Projects (WS Sellers) which will be commissioned after the 01.04.2026.

The revenue-neutral tolerance band for Solar/ Wind-Solar Hybrid Generating Stations will reduce from +/- 10% to +/- 5% and for Wind Generating Stations it will reduce from +/- 15% to +/- 10%.</td><td>We respectfully submit that the proposed clause should be applied prospectively—i.e., to projects commissioned after 31.03.2026 and 31.03.2032—based on the following considerations:

a) Existing Wind, Solar, and Wind-Solar Hybrid (WSH) projects cannot compete with upcoming projects that will benefit from advanced technologies. These newer projects, yet to be commissioned, will inherently have technological advantages over existing ones.

b) Due to the adoption of newer technologies, the deviation band for future Wind, Solar, and WSH projects to some extent may be narrower (i.e., within 5 to 6 years), making it difficult for older projects to comply with the same standards.</td></tr>
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<tr><td></td><td></td><td></td><td>c) For Projects (WS Sellers) which will be commissioned after the 01.04.2032 onward

<table><tr><th>FY in which Wind ,Solar and Wind Solar Hybrid Project Commissioned</th><th>Value of "X"</th></tr><tr><td>01.04.2032 to 31.03.2033</td><td>100%</td></tr><tr><td>01.04.2033 to 31.03.2034</td><td>75%</td></tr><tr><td>01.04.2034 to 31.03.2035</td><td>25%</td></tr><tr><td>01.04.2035 to 31.03.2036</td><td>0%</td></tr></table></td><td>c) Consequently, the proposed stringent norms under this clause will have a disproportionately higher revenue impact on existing Wind, Solar, and WSH projects.

d) Applying uniform norms to both existing and future projects undermines the principle of a "level playing field" as envisaged in the Electricity Act, 2003, which promotes fair competition through an equitable regulatory framework.

e) Battery Energy Storage System (BESS) technology is still evolving and currently entails significant capital and operational costs. Therefore existing projects soley cannot install BESS to reduce deviation as the same would be financially burdensome. However, by 01.04.2031, BESS technology is expected to mature, potentially reducing costs and making it more viable for future projects. Further the</td></tr>
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				Hon'ble Commission may consider to issue different norms for the WSH Project with Storage and provide some relaxation for these project as these project will be beneficial for Grid Stability. f) Reduction in Deviation Settlement Mechanism (DSM) charges through aggregation of Wind and Solar schedules and actual injection at a common pooling station is beneficial only when multiple Wind Solar or WSH generators are connected to such a station with varying wind patterns and solar irradiance. This clause, however, does not beneficial to standalone Wind or Solar generators or multiple Wind Solar or WSH generators are connected to such a station having same wind patterns and solar irradiance connected to a pooling substation, thereby limiting its utility.

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				In light of the above, we request the Hon'ble Commission to differentiate between existing and future Wind, Solar, and WSH projects. Such differentiation is essential to ensure the continued viability of existing projects and to uphold fair competition with newer installations. Furthermore, the values of X (in %) should be applicable only to Wind, Solar, and WSH projects commissioned after 31.03.2032. These values should be reduced gradually rather than drastically to allow a smooth transition. We therefore request the Hon'ble Commission to consider clause proposed by us.