

**CENTRAL ELECTRICITY REGULATORY COMMISSION  
NEW DELHI**

**No. L-1/261/2021/CERC**

**Coram:**

**Shri Jishnu Barua, Chairperson  
Shri Arun Goyal, Member**

Dated: 31.07.2024

**In the matter of**

Central Electricity Regulatory Commission (Connectivity and General Network Access to the inter-State Transmission System) (First Amendment) Regulations, 2023

**Statement of Reasons**

**1 Introduction:**

- 1.1 The Central Electricity Regulatory Commission (Connectivity and General Network Access to the inter-State Transmission System) Regulations, 2022 (hereinafter referred to as "GNA Regulations / Principal Regulations") was notified on 7th June 2022. The provisions of the GNA Regulations were made effective from 05.04.2023, except for a few provisions that came into effect from 01.10.2023.
- 1.2 Post the issuance of the Principal Regulations on 7.6.2022, suggestions were received from the Ministry of Power, TANGEDCO, APCC, and CTUIL to address certain concerns.
- 1.3 Considering the concerns raised and the suggestion received from stakeholders, the Commission, vide notification dated 27.01.2023, issued the Central Electricity Regulatory Commission (Connectivity and General Network Access to the inter-State Transmission System) (First Amendment) Regulations, 2023 (hereinafter referred to as "Draft Amendment Regulations") along with the public notice seeking comments/ suggestions/ observations from the stakeholders/ public by 27.02.2023. A list of stakeholders who submitted written comments is enclosed in **Appendix I**.

The Commission conducted a Public Hearing on 13.03.2023, and the list of stakeholders who made oral submissions/presentations during the Public Hearing is enclosed in **Appendix-II**.

- 1.4 The Commission proposed the Draft Amendment Regulations (i) to address the issues of squatting of Connectivity, (ii) to introduce GNA<sub>RE</sub> and T-GNA<sub>RE</sub> for drawal of power only from renewable sources, (iii) Reduction in GNA quantum, as provided in Annexure-I of the Principal Regulations, based on the methodology specified for a host State in which a regional generating station is located, and is connected only to STU system or connected to both STU system and ISTS.
- 1.5 Deliberation on the comments/ suggestions offered by the stakeholders on the Draft Amendment Regulations and the rationale behind the decisions of the Commission are discussed in the succeeding paragraphs. While an attempt has been made to consider all the comments/ suggestions received, the names of all the stakeholders may not appear in the deliberations. However, comments of all the stakeholders have been uploaded on the website of the Commission.

## 2 **Amendment to Regulation 2.1 of the Principal Regulations:**

- 2.1 The Draft Amendment Regulations provide the addition of a new Clause (t-i) as under:

*“(t-i) “Host State” means the State in which an entity is geographically located;”*

- 2.2 Comment has been received from SECI.

- 2.2.1 SECI has commented that if we are talking about a project, not a company/organization, the definition may please be suitably modified.

## 2.3 **Analysis and Decision**

- 2.3.1 With respect to the SECI comment, it is clarified that, here, the entity represents the project / generating station.

## 3 **Amendment to Regulation 5.2 of the Principal Regulations:**

- 3.1 The Draft Amendment Regulation provides as under:

*“5.2 Notwithstanding anything contained in Regulation 5.1, a generating station or ESS, with prior approval of CTU, shall be eligible to add, within the quantum of Connectivity granted to it, additional generation capacity or ESS, owned by the generating station or the ESS or any other entity:*

*Provided that the generating station or the ESS being the existing Connectivity Grantee shall be responsible for compliance with the Grid Code and other regulations of the Central Commission for such additional generation capacity including ESS as 'Lead ESS' or 'Lead generator' in terms of Regulation 2.1 (x)(ii) or Regulation 2.1 (y)(ii), as the case may be:*

*Provided further that net injection at any point of time shall not exceed the quantum of total Connectivity granted to the existing Connectivity grantee."*

- 3.1.1 Tata Power and GEPL commented that many times, the configuration of an RE hybrid project with storage needs to be changed at the time of implementation, vis-à-vis the configuration indicated during the time of application and accordingly suggested changing this provision to allow the modification in the existing generation capacity or ESS.
- 3.1.2 MSEDCL and SECI have commented that since the generating station or ESS already has a PPA with the procuring entity with quoted tariff inclusive of expenses related to connectivity and other infrastructure and shall now get benefit by adding additional generation or ESS capacity by another entity on the same connectivity. Therefore, the generating station or ESS which is willing to share infrastructure with another entity to add additional generation capacity, or ESS, shall have to get NOC / prior approval from the procuring entity with whom such entity has PPA/PSA. MSEDCL has further commented that more clarity would be required in terms of the agreement to be undertaken by the Lead Generator/ESS and the entity installing the additional Generation/ESS if it's a different entity.
- 3.1.3 NTPC commented that to avoid the dispute under the proposed amendment, the other entity may also be considered as a connectivity grantee and made responsible for compliance with the Grid Code and other regulations of the Central Commission.
- 3.1.4 Vena Energy raised the query that upon adding the capacity from a different entity within the principal connectivity, can this entity sell power in open access mode outside the purpose for which the principal connectivity was granted? Will the new entity get a separate connectivity letter and agreement and what will be the metering arrangement?
- 3.1.5 Renew Power commented that the maximum capacity allowed to be added within the quantum of Connectivity granted is not provided in the proposed regulation. Renew Power suggested allowing the addition of at least 10% of additional generation capacity within the quantum of Connectivity granted and

specifying documents required for additional capacity addition along with an additional 'Application Fee', if any. Renew Power further commented that this will help in greater utilization of transmission assets and Developers will be able to meet their CUF requirements as per PPAs with REIA or a distribution licensee or an authorized agency on behalf of the distribution licensee.

### 3.2 **Analysis and Decision**

3.2.1 With respect to suggestions of Tata Power and GEPL, it is clarified that the provision for change in configuration is provided under sub-clause (xiii) of Clause 5 of the 'Detailed Procedure for Connectivity and GNA,' extracted as below:

*“(xiii) The Applicants who have been granted Connectivity to ISTS for the generation projects based on particular renewable energy source(s) (with or without ESS) may, for the same granted connectivity, change to another renewable energy source(s) (with or without ESS) in part or full, subject to approval by CTU, keeping in view of outcome of system studies. The entity shall submit the Technical Data for changed renewable energy source(s) and CTU shall incorporate the necessary change in connectivity agreement in line with GNA Regulations.”*

3.2.2 With respect to MSEDCL and SECI comments, it is clarified that additional generation capacity without any increase in the quantum of the Connectivity is a part of the overall optimization of the transmission system. A generating station is allowed Connectivity in terms of CEA Connectivity Standards and the GNA Regulations. A generating station is bound by the terms of the PPA it enters into with the buying entity, and any addition of the capacity shall be sought by the generating station, keeping in view the terms and conditions of the PPA. Further, the terms of agreement for sharing of the connectivity and other infrastructure between the connectivity grantee and the other entity getting connected within such connectivity, shall be as mutually agreed between them.

3.2.3 NTPC's suggestions are not accepted, as under the provision, there shall not be any increase in the quantum of connectivity. The connectivity shall be with the existing connectivity grantee and it will act as the Lead Generator or Lead ESS and shall be responsible for compliance with the Grid Code and other regulations.

3.2.4 In respect of the clarification sought by Vena Energy, it is clarified that separate Connectivity shall not be granted to the new entity. However, the

Connectivity granted to the original entity shall be modified to include the details of the new entity. The new entity shall be eligible to sell power within the Connectivity quantum as per the mutually agreed terms and conditions with the existing Connectivity grantee. The metering arrangements shall be as per the provisions of the Grid Code.

- 3.2.5 With respect to the Renew Power comment, it is clarified that the entity is not liable to pay any fee for the addition of such additional generation capacity. Further, the maximum quantum of additional generation capacity that can be added within the quantum of connectivity granted is to be decided by the original Connectivity Grantee and subject to the approval of CTUIL. CTUIL may seek the required details for such additional capacity.

#### 4 **Amendment to Regulation 5.8 of the Principal Regulations:**

- 4.1 The clause (vii) of Regulations 5.8 was proposed to be substituted, and new clause (xi) was proposed to be added under Regulations 5.8 as under:

*“(vii) In case of Renewable Power Park Developer, the following documents shall be submitted:*

- (a) authorisation by the Central Government or the State Government, as applicable, to undertake infrastructural activities including arrangement for Connectivity on behalf of solar power generators or wind power generators; and*
- (b) Registered Title Deed as a proof of Ownership or lease rights or land use rights for 50% of the land required for the capacity for which Connectivity is sought; and*
- (c) Auditor’s certificate, certifying the release of at least 10% of the project cost including the land acquisition cost through equity.*

.....

*(xi) In case of Applicants which are REGS (other than Hydro generating station) or ESS (excluding Pumped Storage Plant (PSP)) the following documents shall be submitted:*

- (a) Letter of Award (LOA) by, or Power Purchase Agreement (PPA) entered into with, a Renewable Energy Implementing Agency or a distribution licensee or an authorized agency on behalf of distribution licensee consequent to tariff based competitive bidding, as the case may be:*

*Provided that in case of Applicants being multi-located REGS, the details of locations and capacity at each location, duly certified by the Renewable Energy Implementing Agency or the distribution licensee, as the case may be, shall be submitted.*

Or

*(b)*

- (i) Registered Title Deed as a proof of Ownership or lease rights or land use rights for 50% of the land required for the capacity for which Connectivity is sought; and*

- (ii) Auditor’s certificate, certifying the release of at least 10% of the project cost including the land acquisition cost through equity.”*

4.1.1 CTUIL suggested that the land requirement may be removed at the time of application, and the same may be obtained within a period of 12 months from the grant of Connectivity, considering suggestions of applicants who have submitted that land is required at a later stage and many other activities such as approvals from various agencies, site identification, the feasibility of the project location in terms of solar irradiance/wind speed are to be taken up during the initial period. Further, CTUIL also suggested the following changes in the proposed amendment:

“vii) .....

a) *authorization by the Central Government or the State Government or the agency appointed/authorized by the Central/State Government for implementing the policies for development of renewable power projects, as applicable, to undertake infrastructural activities including arrangement for Connectivity on behalf of solar power generators or wind power generators; and*

~~b) Registered Title Deed as a proof of Ownership or lease rights or land use rights for 50% of the land required for the capacity for which Connectivity is sought; and~~

c) **Auditor’s certificate in prescribed format (as per Detailed Procedure) issued by Statutory auditor of the applicant company certifying the release of at least 10% of the project cost including the land acquisition cost through equity along with details of expenditure.”**

.....

(xi) .....

(a) .....

Provided that in case of Applicants being multi located REGS, the details of locations and each location, duly certified by the Renewable Energy Implementing Agency or the distribution licensee **or an authorized agency on behalf of distribution licensee**, as the case may be shall be submitted.

Or

b)

~~i. Registered Title Deed as a proof of Ownership or lease rights or land use rights for 50% of the land required for the capacity for which Connectivity is sought; and~~

ii. **Auditor’s certificate in prescribed format (as per Detailed Procedure) issued by Statutory auditor of the applicant company towards certifying the release of at least 10% of the project cost including the land acquisition cost through equity along with details of expenditure.”**

4.1.2 SECI suggested modifying the proposed sub-clause (b) under Clause (vi) and under Clause (xi) as below:

*“(b) Registered Title Deed as a proof of Ownership or lease rights or land use rights for 50% of the land required for the capacity for which Connectivity is sought; or Registered Title Deed as a proof of Ownership or lease rights or land use rights for 20% of the land required for the capacity for which Connectivity is sought together with bank guarantee @ of Rs 10 Lakhs /MW for the balance quantum of land falling short of 50 % of land required for*



***the capacity for which connectivity is sought (in case of failure to demonstrate ownership / lease rights / land use rights within a period of 12 months for 50 % of the land required for the capacity of connectivity, this BG will be encashed and connectivity will be revoked, Conn-BG1, Conn-BG2 and Conn-BG3 shall be treated in terms of Regulation 24.2 or Regulation 24.3 of these regulations, as applicable, and”***

- 4.1.3 MSEDCL, in respect of clause (vii), has suggested adding a provision to submit a “PPA copy of at least 50% for the quantum of connectivity sought and PPA copy for balance capacity to be submitted within 06 months from the date of final grant of connectivity. In case the renewable park developer fails to submit the same, connectivity for the balance capacity shall be revoked”. In respect of Clause (xi), MSEDCL has commented that sub-clause (a) shall be made compulsory to get the connectivity, and it should not be optional; otherwise, the requirement of PPA may be included in sub-clause (b).
- 4.1.4 NTPC Limited submitted that the Solar Park development schedule is fixed from the date of in-principle approval by MNRE, and the Solar Park approval may be revoked by MNRE in case of non-adherence to the timeline. Thus, under the Solar Park model approved by MNRE, there are no such issues as “squatting”/blocking of ISTS bays. In view of the above, the requirement of land and Auditor certificate may not be mandated for MNRE approved Power Parks.
- 4.1.5 NTPC Limited, in respect of Clause (xi), has commented that the transfer of ownership of such a large land may take significant time for registration or lease. Financial closure may be retained as an alternative to a 10% fund release document for connectivity application. Accordingly, NTPC suggested the following modifications:

*“(i) Registered Title Deed as a proof of Ownership or lease rights or land use rights for:*

*(a) 10% of the land/waterbody required for the Solar capacity for which Connectivity is sought or*

*(b) 50% of the land required for the Renewable capacity other than solar for which Connectivity is sought and;*

*(ii) Achievement of financial closure, (with copy of sanction letter) or Auditor’s certificate, certifying the release of at least 10% of the project cost including the land acquisition cost through equity.”*

- 4.1.6 Vena Energy, FIPL and GEPL, AAPL, OEPL, WIPPA, Sembcorp, and Azure have suggested that in alternate to the Auditor’s certificate, certifying the release of at least 10% of the project cost, submission of proof of financial

closure by way of loan sanction letter from a bank may be provisioned. GEPL, AAPL, and OEPL have further suggested allowing submission of land documents and Financial Closure documents or Auditors Certificate, as the case may be, within twelve months from the grant of final connectivity or nine months prior to SCOD of the substation, whichever is later.

- 4.1.7 ERIPL commented that in the case of Wind Power Projects, the cost of land may be estimated at 1.5% - 2% of the project cost, and to achieve the release of 10% project cost, the outflow needs to be out of the advances paid to WTG supplier which would require entering into long term commitments, which investors and lenders would be hesitant till the connectivity for evacuation is secured. Thus, in the interest of the long-term development of wind energy, the requirement of the release of 10% investment at the time of application for connectivity may be removed, and the same may be submitted along with the submission of Financial Closure, as required under clause 9.3.
- 4.1.8 AMP Energy commented that it would be impossible for developers to utilize 10% of project cost without any connectivity & firm PPA/Customers for the project and requested that this condition be removed.
- 4.1.9 BluPine Energy and WIPPA suggested allowing the installation of Hybrid projects (REGS or RHGS+ESS) under RE park.
- 4.1.10 Adani Power and AGEPL have commented that the major cost element for a RE park is the cost of land. If the ownership has been taken for at least 50% of the parkland, then the 10% equity requirement shall automatically be complied with. Hence, the requirement of equity infusion of at least 10% is redundant and may be deleted. AGEPL further commented that the Land allotment letter issued by govt. agencies must be accepted as proof of land procurement where registry/lease takes a little longer time than usual.
- 4.1.11 SRIPL suggested considering the Financial closure of the project (with a copy of the sanctioned letter) as an alternative to the submission of an Auditor certificate certifying the release of 10% of the project cost to avoid putting the initial investment at risk, considering the uncertainty on getting connectivity at the desired substation in the first place itself. SRIPL further suggested that LOA should be removed from pre-requisites for taking connectivity and include the submission of a purchase agreement entered by a Commercial and Industrial category customer under Open Access along with an additional Bank Guarantee calculated at Rs. 5 Lakhs/MW, which would be returned



within one month from commissioning in proportion to the capacity commissioned, as pre-requisites for taking connectivity.

- 4.1.12 CEESPL commented that in place of registered lease deeds, the requirement of Consent to Lease (CTL)/ Agreement to Lease (ATL) and agreement to the sale might be considered with the condition to provide lease deeds within the 6th to 9th month of the grant of Connectivity. CEESPL further submitted that as another criterion for ascertaining the seriousness, net worth and/or turnover criteria along with Profit Before Depreciation Interest and Taxes (PBITA) may be kept like that in bids of SECI and others on per MW capacity of application.
- 4.1.13 Torrent Power suggested removing clause (vii)(b) and further suggested considering the submission of an undertaking by the developer in place of the Auditor's certificate for certifying the release of at least 10% of the project cost through equity.
- 4.1.14 InWEA commented that imposing a condition like 50% land and 10% of project investment will defeat the purpose of the park development scheme and suggested replacing the proposed sub-clauses (b) and (c) of Clause (vii) as under:
- “b) Proof for development of wind/solar parks with minimum capacity of 1000MW, and*
- c) Approved Detailed project report (DPR) by NIWE, and*
- d) Registered Title Deed as a proof of Ownership or lease rights or land use rights for **at least 10%** of the land required for the capacity for which Connectivity is sought;”*
- 4.1.15 CPPA suggested that there should not be any requirement to submit Land ownership and capital cost expenditure documents at the time of Application when the application is made by REGS/ESS, which is not supplying power to DISCOM/Implementing Agency. Instead, the requirement of submission of such documents should be covered under Regulation 9.3, post approval of the connectivity.
- 4.1.16 NSEFI, Greenko, and ABC Renewable have suggested that a new amendment may be brought which adds a Bank Guarantee of INR 5,00,000 per MW to seek connectivity along with the application fees instead of submission of Land Documents and Auditor's certificate, certifying the release of at least 10% of the project cost. Further, Once the developer proves his strength of 50% land use rights within 6 months of submission of the BG, this

BG may be returned to the developer and show 100% land use rights within 12 months.

4.1.17 StatKraft commented that it may so happen that while the DISCOM/Implementing Agency has issued the LOA, there is a significant time gap before the PPA is signed, or the PPA may not be signed at all. In such cases, connectivity will be blocked. Accordingly, StatKraft suggested that only PPA should be considered while applying for connectivity

4.1.18 ERIPL, Tata Power, AGEPL, SEPL, AGEL, and EGPIIL commented that the pre-requisites for taking connectivity should also include the PPA with open access consumers, Bilateral LOA/PPA or Captive PPA, Corporate PPAs to promote Open Access in RE space. EDF Renewables further suggested that in such cases, submission of proof of the buyer having GNA<sub>RE</sub> for at least the quantum of such PPA at the time of making the application and submission of proof of investment of 10% of the cost of the project within one year from the date of grant of connectivity may be made mandatory. Greenko and ABC Renewable have suggested that an exemption of Land and Auditor certificate has to be given to the Generator having PPA with Bulk Consumers, and such Bulk Consumers already have GNA.

4.1.19 BNIPL commented that an Upfront equity investment of 10% of the project cost would adversely impact the project economics due to the high carrying cost. Accordingly recommended removing the criteria of the release of 10% of the project cost through equity.

4.1.20 ABEnergia and Tata Power commented that for new entrants, by the time land is acquired and approval for connectivity is sought, the capacity at the CTU substation is fully tied up, and/or the potential off taker(s) would have tied up elsewhere. Accordingly, suggested that the clause be modified as follows:

*i) Generator shall submit ownership or lease rights for 50% of the land required for the capacity of connectivity granted within 6 months from the date of grant of connectivity*

*or*

*within 6 months of announcement of 5 square km location zone of the pooling station; whichever is later; failing which the connectivity shall be revoked and the Bank Guarantee (BG) encashed.*

*ii) Generator shall submit documents of Financial closure or invest at least 10% of the project cost including the land acquisition cost through equity, duly supported by Auditor's certificate, within 6 months from date of grant of connectivity, failing which the connectivity shall be revoked and the BG*

*encashed.*

They have further proposed that besides invocation of the bank guarantee, the Generator which has defaulted should be blacklisted, and no connectivity application from the Generator or a Group Company of the Generator should be approved for a period of 12 months from the date of default.

4.1.21 InWEA suggested Authorized Renewable Power Park Developer (RPPD) should also be included under clause Regulation 5.8(xi)(a).

4.1.22 Renew Power and SPDA have suggested the addition of the following new clause:

*“(xii) The Connectivity granted under clause (xi)(b) of the Regulation 5.8 shall be converted to Connectivity granted under clause (xi)(a) of the Regulation 5.8 upon submission of PPA or LOA entered into with a Renewable Energy Implementing Agency or a distribution licensee or an authorized agency on behalf of distribution licensee consequent to tariff based competitive bidding, as the case may be.*

*(xii) The Connectivity granted under clause (xi)(a) of the Regulation 5.8 shall be converted to Connectivity granted under clause (xi)(b) of the Regulation 5.8 upon termination/surrender of PPA entered into with a Renewable Energy Implementing Agency or a distribution licensee or an authorized agency on behalf of distribution licensee consequent to tariff based competitive bidding, as the case may be, or on submission of No Objection Certificate from Renewable Energy Implementing Agency/ distribution licensee/ authorized agency on behalf of distribution licensee provided that the Applicant shall have to achieve the following milestones and submit the proof to CTU within nine months from date of such conversion*

*(i) Ownership or lease rights or land use rights of the land.*

*(ii) Financial closure with sanction letter from financial institution*

*(iii) Auditor’s certificate, certifying the release of at least 10% of the project cost including the land acquisition cost through equity.*

## 4.2 **Analysis and Decision**

4.2.1 The stakeholders have largely submitted that acquisition of land is a time-consuming exercise and arranging the same at the time of Application may be difficult and that in the case of LoA/PPA, the Applicant can easily apply for Connectivity as soon as LOA/PPA is issued to them, whereas for the Applicants based on Land, by the time it arranges the land document, the Connectivity might have been allotted to the Applicant having LoA/PPA. Stakeholders have suggested introducing an alternate route wherein an Applicant can seek Connectivity by submitting an additional Land BG (5-10 lakh/MW) at the time of application, and after a time 9-12 months of the grant of Connectivity, the applicant can submit land documents as well as Auditor’s

certificate, certifying the release of at least 10% of the project cost including the land acquisition cost through equity, failing which the BG shall be encashed.

- 4.2.2 Considering the above, under the final Amendment, an alternate route based on the Land BG for Rs. 10 Lakh/MW has been provided subject to the condition that required land documents shall have to be submitted within 180 days of the issuance of the final grant of Connectivity, failing which the Connectivity granted shall be revoked and the Land BG shall be encashed.
- 4.2.3 Further, as suggested by a few stakeholders, the submission of the Auditor's certificate for the 10% release of the funds at the time of the Connectivity Application has been removed and shifted to intermediary milestones under Regulation 11A.
- 4.2.4 We are not inclined to accept CTU's suggestions to remove the condition of Land documents at the application stage since, in order to ensure the project's seriousness, an entity should be able to demonstrate either LOA/PPA or Land. However, another route through Land BG has also been introduced through the First Amendment.
- 4.2.5 The suggestions of MSEDCL to mandate the submission of PPA, we are of the view that such a condition cannot be mandated since generation projects may come under PPA mode or merchant mode, and any particular mode cannot be mandated.
- 4.2.6 With regard to the suggestion of NTPC to consider a reduced land requirement at the application stage for Solar and AGEPL's suggestion to consider the Land allotment letter issued by the Government, we are of the view that since we have introduced another route of LAND BG at application stage, an applicant can make an application based on the land documents available with it, otherwise it can opt for the Land BG route.
- 4.2.7 With respect to the suggestion of Statkraft to consider only PPA and not the LOA to apply for connectivity, we have perused a sample LoA and RfS (bidding document) issued by SECI, which are as under:

*“7.9 The SPDs shall be required to apply for connectivity, along with all the required documents, at the identified substations within 30 days of issuance of LOAs, and shall furnish copies of the application as well as granted connectivity, to SECI at the earliest. In case the SPD fails to obtain the Stage-II connectivity at a Substation identified by the Bidder, the same shall be immediately notified by the SPD to SECI. The LTA shall be applied for by the SPD within 30 days of signing of PSA, and intimation of the same by SECI to the SPD. At least 30 days prior to the proposed commissioning date, the SPD shall be required to submit the connectivity letter from Central Transmission Utility (CTU), confirming technical feasibility of connectivity of the plant to the ISTS substation. LTA shall be required to be submitted by the SPD prior to commissioning of the project.”*

As per the above, the LoA grantee has to apply for connectivity within 30 days of issuance of LOAs and shall furnish copies of the application as well as granted connectivity, to SECI at the earliest. Further, the PPA has to be signed within 90 days from the date of issue of the LoA, and the SPD/Project Company shall have to achieve commissioning of the full capacity of the Projects within 18 months from the Effective Date of the PPA. Considering the above and to facilitate the Connectivity for such projects that have won tariff based competitive bidding, the suggestion to consider only PPA and not the LOA to apply for connectivity is not accepted.

- 4.2.8 With respect to the BluPine Energy and WIPPA's suggestion to include Hybrid or Hybrid+ESS (REGS or RHGS) projects for RE Park Developers, it is clarified that the configuration within the Renewable park shall be as per the authorization issued by the Central Government or State Government.
- 4.2.9 Regarding the Stakeholder's suggestion to also consider the PPA with open access consumers, Bilateral LOA/PPA or Captive PPA, Corporate PPAs to promote Open Access in RE space as an eligible document to apply for Connectivity, it is clarified that only LOA or PPA is considered for application of Connectivity, which is issued or entered, consequent to tariff based competitive bidding (as per the tariff based competitive bidding Guidelines of the Government) by the Renewable Energy Implementing Agency or a distribution licensee or an authorized agency on behalf of distribution licensee. The said LOA/PPAs have built-in Performance Bank Guarantees to ensure that the RE project is commissioned within the specified timeline. In the case of entities where PPA is with open access consumers, Bilateral

LOA/PPA or Captive PPA, Corporate PPAs, may apply through the other two routes of Land /Land BG.

- 4.2.10 The InWEA suggestion to include the Authorized Renewable Power Park Developer (RPPD) under clause Regulation 5.8(xi)(a) is not considered as the Renewable Power Park authorized by Central Govt or State Govt is already covered under Regulation 5.8(vii) of the Regulations.
- 4.2.11 In respect of the stakeholder's suggestion to add a provision for conversion of Connectivity granted under clause (xi)(b) of Regulation 5.8 to Connectivity granted under clause (xi)(a) of Regulation 5.8 has been considered and included under Regulation 11A. Further, the suggestion to consider the conversion of Connectivity granted under clause 5.8(xi)(a) to that under Regulation 5.8(xi)(b) is not considered at this stage.

## 5 **Amendment to Regulation 7.1 and 7.2 of the Principal Regulations:**

- 5.1 Regulations 7.1 and Regulations 7.2 were proposed to be amended as under:

*“The words “ATS” shall be substituted with the word “augmentation” in Regulation 7.1 of the Principal Regulations.*

*The words “ATS” shall be substituted with the word “augmentation (with ATS or without ATS)” in Regulation 7.2 of the Principal Regulations.”*

- 5.2 Comments have been received from CTUIL, Fortum India Pvt Ltd (FIPL), Solar Power Developer Association (SPDA), BluPine Energy, and TANGEDCO.
- 5.2.1 CTUIL suggested substituting the word “ATS” with “augmentation (with ATS or without ATS) in the first proviso of Regulation 7.2.
- 5.2.2 FIPL and SPDA requested that the definition of ATS be included. Bluepine Energy has requested augmentation with ATS be defined.
- 5.2.3 TANGEDCO requested to restore the definition for ATS as notified in the draft GNA Regulations 2021, which otherwise would relieve the generators from the responsibility of providing bank guarantees in proportion to the transmission system developed at their behest.

## 5.3 **Analysis and Decision**

- 5.3.1 In respect of the CTUIL's suggestion, it is clarified that in terms of the provision under the GNA Regulations, the intimation of the in-principle grant



of Connectivity shall provide the details of ATS and terminal bay(s) and the estimated cost of such ATS and terminal bay(s). Further, the requirement of Conn BG2 is based on the estimated cost of such ATS and terminal bay(s) and it shall not include the cost of the augmentation.

5.3.2 The definition of ATS is already covered in the GNA Regulations, and the same has been proposed to be changed under the amendment by TANGEDCO, the suggestions of TANGEDCO are beyond the scope of the first amendment. Further, the requirement of the augmentation is based on the interconnection study by CTUIL, and shall be determined accordingly by the CTU.

## 6 **New Regulation 9.3 in the Principal Regulations:**

6.1 The Draft Amendment Regulations provide for the addition of a new Regulation 9.3 as under:

*“9.3 An applicant which is REGS (other than Hydro generating station), ESS (excluding PSP) or Renewable power park developer to which final grant of connectivity has been issued, shall have to achieve the financial closure for the capacity of such Connectivity, (a) within a period of 12 months from the date of issuance of final grant of connectivity, if the start date of Connectivity is within 2 years from date of issuance of final grant of connectivity or (b) a period equivalent to 50% time period between issue of final grant of Connectivity and start date of Connectivity, if the start date of Connectivity is more than 2 years from date of issuance of final grant of connectivity:*

*Provided that such an applicant shall submit proof of Financial Closure of the project (with copy of loan sanction letter or proof of first disbursement of loan amount) to CTU within 15 days of achieving the financial closure.*

*Provided further that if the Connectivity grantee fails to achieve the financial closure within the stipulated time as per this regulation or fails to submit the copy of financial closure as per first proviso to this regulation Connectivity shall be revoked and Conn-BG1, Conn-BG2 and Conn-BG3 shall be treated in terms of Regulation 24.2 or Regulation 24.3 of these regulations, as applicable.”*

6.1.1 AMP Energy, ARPL, EGIPL, AGEL, Renew Power, and SPDA have suggested linking the Financial Closure for the capacity in line with PPA Financial Closure timelines. EGIPL further commented that for projects that are granted connectivity on the basis of land, the developer should submit their request to CTU for an extension of Financial Closure with proper documentary evidence, and CTU may grant an extension on a case-to-case basis. SPDA has also suggested changing the timeline from 15 days to 30 days to furnish

proof of financial closure to the CTU so that all company and lender formalities are complete during the period.

6.1.2 InWEA suggested replacing the words “2 years” with “4 years”.

6.1.3 CTUIL commented that many applicants submit Board Resolutions/undertaking from the applicant company/ parent company regarding commitment to financing the entire project cost. In such cases, the capability/financial strength of the parent company to fund such projects cannot be ascertained. Accordingly, the requirement of additional documents such as an Audited/Certified Balance sheet, Profit & Loss Account Statement, Bank Statement, Cash Flow Statement, etc., is proposed.

6.1.4 SECI has suggested including alternative provisions for achieving financial closure under the first paragraph of the proposed Regulation 9.3 and adding new Regulations 9.4 and 9.5 as under:

“or

*c) within 6 months of issuance of transmission license to TSP to linked transmission elements whichever is later:*

*or*

*d) to achieve the milestones (FC) and submit the proof to CTU within nine months from date of grant of Stage-II Connectivity or within nine months prior to SCOD of substation at which Stage-II Connectivity is granted, whichever is later, may be retained as per existing procedure.*

*or*

*e) Timeline for FC shall be as per PPA/PSA FC timelines or the above said points (a, b, c, d), whichever is later.”*

.....

*“9.4 Applicants can seek the connectivity at the same pooling station in a single application for staggered commencement date with different quantum of power (not less than 50 MW)*

*9.5 Applicants can within 6 months after grant of connectivity may request for extension of date of connectivity for a maximum period of 6 months:*

*a) If same does not involve any augmentation of the system.*

*b) In case grant of connectivity is linked with augmentation of system, the request will be considered only if linked augmentation work is not at advance stage of award.”*

6.1.5 MSEDCL suggested that the financial closure timelines should be in line with FC timelines as specified in the MNRE competitive bidding guidelines.

6.1.6 FIPL commented that standard PPA provides for provision to achieve Financial closure by payment of penalty; accordingly, revocation of connectivity should not be done if the developer fails to achieve this milestone.

- 6.1.7 BluPine Energy has commented that under Regulation 16.3 of the GNA Regulations, on non-payment of transmission charges for continuous 3 months invocation of LC and subsequently BG encashment is followed rather than straight forward revocation. Therefore, the revocation should only take place as per the provision of Regulation 16.3 of GNA regulations and not for failure to achieve any other milestone.
- 6.1.8 SEPL, AGEL, and CEESPL have suggested including the option of achieving Financial closure through “Internal Resources” vis-a-vis Parent Company/group company/ affiliates.
- 6.1.9 SEPL, Torrent Power, BNIPL, and SPDA have commented not to revoke the Connectivity if the entity fails to submit the copy of financial closure as per the first proviso to this regulation due to the force majeure circumstances or events beyond the control of the Connectivity grantee. SEPL and SPDA have also suggested that some relaxations in Regulations and in the related Agreements with penalties (in line with Competitive Bidding Guidelines) may be provided. BNIPL has also suggested considering provisions for the extension of Financial Closure timelines (with some grace period and penalties afterwards) before the revocation of connectivity is triggered.
- 6.1.10 GEPL, AAPL, and OEPL have suggested that the timeline to achieve the financial closure or to submit an auditor's certificate certifying the release of at least 10% of the project cost and to submit Land documents should be linked to the proposed timeline or nine months prior to SCOD of the substation, whichever is later. WIPPA and Sembcorp have suggested modifying the clause as Financial Closure for the capacity of such Connectivity shall have to be achieved 9 months prior to the Start date of connectivity.
- 6.1.11 Azure has suggested that financial closure for connectivity grantees based on LOA/PPA or projects falling under clause 5.8 (xi) (b) and converted to clause 5.8 (xi) (a) should be aligned with PPA financial closure timelines.

## 6.2 **Analysis and Decision**

- 6.2.1 Some stakeholders have suggested linking financial Closure in line with Financial Closure timelines under PPA/PSA. We are of the view that achieving financial closure is a milestone that establishes the seriousness of the project. The milestone is applicable equally to an entity which has entered into PPA or an entity which is coming through the Land route. Therefore, the suggestions of linking the Financial Closure with a provision in PPA/PSA or in the bidding

document are rejected. PPA does not debar an entity to achieve financial closure prior to the last date required to achieve such closure under the PPA, and to secure Connectivity; the entity is required to achieve such financial closure.

- 6.2.2 The timeline of 15 days after achieving the Financial Closure to submit the proof of Financial Closure of the project to CTU is sufficient and, therefore, is not extended.
- 6.2.3 The suggestion of InWEA to replace the words “2 years” with “4 years”, is not accepted as more time for financial closure has already been provided for the project with a longer implementation time.
- 6.2.4 Considering suggestions of stakeholders to include funding through internal sources, the same has been included in the Regulations. Further, the suggestions of CTU to include additional documents such as “Audited/Certified Balance sheet, Profit & Loss Account Statement, Bank Statement and Cash Flow Statement in support of availability of Internal resources of the Project Company may be included by CTU in the Detailed Procedure, as required.
- 6.2.5 The suggestion of SECI to link the achieving of Financial Closure with the SCOD of the substation at which Connectivity has been granted and that of WIPPA to link it with the start date of Connectivity are not considered as of now and may be taken up in future following due process. Further, SECI’s suggestion to allow an extension of the date of achieving financial closure is not accepted since the same shall delay the development of the project.
- 6.2.6 The suggestion of BluPine Energy not to revoke connectivity in case financial closure is delayed is not accepted. Milestones were introduced through the First Amendment to address the issues of delay in the development of projects and consequent squatting of connectivity. Hence, in case milestones are not achieved, Connectivity is proposed to be revoked.
- 6.2.7 Regarding the extension of the Financial Closure due to the force majeure circumstances or events beyond the control of the Connectivity grantee, it is clarified that an entity should plan to achieve milestones within the specified timelines. A project developer must be able to demonstrate seriousness in developing the project by achieving various milestones associated with the project. However, despite making all efforts to develop the project, if any project is hit by force majeure conditions, such force majeure circumstances

are dealt with by the Commission on a case to case basis on filing of an application by the entity.

**7 Amendment to Regulation 15.1 of the Principal Regulations:**

7.1 The Draft Amendment proposed the addition of a new proviso in Regulation 15.1 as under:

*“Provided further that where a bulk consumer has been granted GNA under Regulation 17.1(iii) seeking to connect to ISTS directly, GNA granted to such Bulk consumer may be utilized in part or full by its subsidiaries.”*

7.1.1 CPPA, WIPPA, and Sembcorp have suggested that in line with the first proviso of Regulation 15.1, the flexibility for using GNA by a parent company or subsidiary(ies) company or both may also be provided.

7.1.2 MPL has sought clarification that a bulk consumer has approval for 200 MW GNA and has its other facilities/ subsidiaries. Can these facilities/subsidiaries, irrespective of their connectivity, take power through the approved GNA of that bulk consumer? Whether all these subsidiaries need to be mandatorily connected to ISTS directly?

7.1.3 Adani Power has commented that GNA should be transferable between Bulk Consumer and its subsidiaries and vice versa.

7.1.4 GEPL, Torrent Power has suggested that the GNA granted to a Bulk Consumer may be utilized in part or full by its parent and /or by its affiliates.

7.1.5 MUL has suggested that flexibility should also be allowed to Distribution Companies for utilization of GNA in part or full by its subsidiaries/its Associates/Affiliates or vice versa.

7.1.6 Renew Power has requested clarification on the shareholding pattern of Bulk Consumers (GNA Grantee) in its subsidiary. Further, as provided in Regulation 15.3 of the GNA Regulations, Bulk Consumers may also be allowed to transfer connectivity after COD.

7.1.7 SRPC has commented that Regulation 15 pertains to the Transfer of Connectivity, but the new provision envisages the usage of GNA of drawee entity covered under Regulation 17. Hence, the proposed provision may be placed appropriately (maybe under Regulation 17 of Principal Regulations).

7.1.8 PCKL has commented that the proposed provision may affect the calculation of PoC charges on the AC-UBC amount. Since these charges are calculated based on drawal methodology when the subsidiary companies are situated in different States, the AC-UBC amount varies based on the drawal of each State.

## 7.2 Analysis and Decision

7.2.1 We have considered the suggestion of stakeholders also to allow the

7.2.2 Use of GNA of Bulk Consumer by its Parent Company and vice-versa, accordingly following is finalized under the final amendment:

*“Provided further that where a bulk consumer has been granted GNA under Regulation 17.1(iii), GNA granted to such Bulk consumer may be utilized in part or full by its subsidiaries or vice versa, if such bulk consumer and its subsidiaries are connected at the same connection point of ISTS.”*

7.2.3 Stakeholders have suggested allowing the utilization of the GNA of a bulk consumer by its Associated companies/ its affiliates/Group Companies. It is clarified that the insertion of the utilization of GNA in the case of Bulk consumers, which has been granted GNA under Regulation 17.1(iii), was proposed since GNA under Regulation 17.1(iii) includes Connectivity for such an entity. Regulation 15.1 allows utilization of Connectivity between Parent and subsidiary, and accordingly GNA for such Bulk consumers which are connected to ISTS was also proposed to be utilized between Parent and subsidiary. Such utilization is not permitted across Associated companies/ its affiliates/Group Companies as of now, and accordingly, the suggestions are rejected.

7.2.4 In respect of the clarification sought by the MPL, it is clarified that under the subject provision, only the Parent Company and subsidiary company(ies) are covered, which are connected at the same connection point. However, in terms of Regulations 23.1, a GNA grantee, including a bulk consumer, may authorize the use of its GNA to another GNA grantee, including its subsidiary, where the other GNA grantee may not be connected directly to ISTS (may be connected to intra-state transmission system or distribution system).

7.2.5 In respect of Adani Power’s suggestion, it is clarified that GNA is not transferrable as of now. However, the GNA of one grantee can be used by the other grantee in terms of Regulations 23.1.

7.2.6 Regarding the clarification on a shareholding pattern of Bulk Consumers (GNA Grantee) in its subsidiary, it is mentioned that the ‘subsidiary’ shall be governed as per the Companies Act, 2013, as amended from time to time.

7.2.7 The issue raised by PCKL regarding subsidiaries connected in different states does not arise under the proposed amendment to Regulation 15.1, as this



provision only allows the use of GNA between the Parent and its Subsidiary connected at the same connection point of ISTS.

## **8 New Regulation 16.5 in the Principal Regulations:**

8.1 The Draft Amendment Regulations provide for the addition of a new Regulation 16.5 as under:

*“16.5 For an entity covered under Clause (iii) of Regulation 17.1 of these Regulations, Conn-BG1 shall be returned within one month of commencement of drawl of power. Conn-BG3 and Conn-BG2, as available, shall be returned in five equal parts over five years after commencement of drawl of power at the end of financial year or within one month of expiry of period of GNA, whichever is earlier.”*

8.1.1 Renew Power commented that, as per Regulation 17.1(b-i), the bulk consumers are required to furnish CONN-BG1 and CONN-BG3. Whereas, as per regulation 16.5, CONN-BG2 is also required to be furnished by Bulk Consumers. Accordingly, Renew Power sought clarification on the requirement that Conn-BGs be furnished by the Bulk Consumer.

## **8.2 Analysis and Decision**

8.2.1 It is clarified that Clause (3) of Regulation 37.3 of the GNA Regulations provides for the transition of entities that have been granted Connectivity/ LTA/MTOA under the 2009 Connectivity Regulations, which may be a bulk consumer. The treatment of Bank Guarantee deposited by such Bulk consumers under the 2009 Connectivity Regulations has also been covered under Regulation 37 of the GNA Regulations, and consequential changes have been necessitated in this Regulation.

## **9 Amendment to Regulation 17.1 of the Principal Regulations:**

9.1 The Draft Amendment Regulations provides for the addition of a new clause, namely, (vi) as under:

*“(vi) An injecting entity which is granted Connectivity to intra-State transmission system and seeking GNA for purpose of injection into ISTS.”*

9.1.1 StatKraft has sought clarification that in case any intra-state generator wants to sell power through a power exchange or wants to sell power on a bilateral basis to a consumer in another state, will it be required to take GNA or T-GNA?

9.1.2 MPL sought clarification that if the buyer has already applied for GNA for the purpose of drawal, is it necessary that the seller also apply for the purpose of injection?

9.1.3 TANGEDCO has commented that it is essential to segregate the entities having connectivity with only the Intra State Transmission system and entities having connectivity with both the Intra State Transmission system as well as ISTS so as to impose restrictions on the quantum of GNA to be availed in ISTS-based on the Intra State open access availed by them. Otherwise, for the same quantum, these entities will avail access to both ISTS and Intra State, resulting in a redundant transmission system.

## 9.2 **Analysis and Decision**

9.2.1 In respect of the clarification sought by StatKraft and MPL, it is clarified that the injecting entity connected to the intra-State Transmission system can utilize the GNA of the State to inject such power after obtaining no objection from STU. However, it is under the purview of the State to allow or not to allow such scheduling for injection within its GNA quantum.

For instance, there may be a State 'A,' which has a GNA of 2000 MW and is a generation-rich State. Suppose 'A' has surplus power, which it sells for a quantum of up to 2000 MW; the entire GNA of the State shall be utilized by the State itself for scheduling. In such a case, suppose a generating station is coming up connected to the intra-State transmission system, such a generating station may seek GNA or T-GNA for injection into ISTS, for the scheduling of power outside the State.

9.2.2 Regarding TANGEDCO's suggestion, it is clarified that Regulation 5.1 of the GNA Regulations already provides that an Applicant with Connectivity to an intra-State transmission system for part of its installed capacity can seek connectivity to the ISTS only for a quantum not exceeding the balance of the installed capacity.

## 10 **Amendment to Regulation 18.1 of the Principal Regulations:**

10.1 Draft Amendment Regulations proposed the addition of a new proviso in Regulation 18.1 (f) as under:

*“Provided that generating stations connected to the intra-State transmission system where Long Term Access granted to such entity or to its identified buyer, under the Connectivity Regulations, 2009 has become effective, shall be deemed to have been granted GNA equal to the quantum of such Long term Access, under these regulations.”*

10.1.1 TANGEDCO has commented that the proposed proviso is intended to convert the quantum or capacity of ISGS connected/evacuated through the intra-state network into permanent GNA of the drawee entity, which is against the mandate of the Electricity Act 2003. TANGEDCO further commented that the very purpose of creating huge Intra State infrastructure by the Home States to draw power from the CGS stations located within the state will be defeated, and the consumers of the state will be illegitimately burdened with the huge transmission charges imposed on account of deemed GNA in proportion to the quantum connected through Intra State network in addition to the tariff liabilities imposed on them on account of the Intra State transmission infrastructure already created for drawing the share of the State.

## 10.2 **Analysis and Decision**

10.2.1 Regarding the TANGEDCO's comments, it is clarified that such GNA granted to the generating stations shall only facilitate scheduling of such generating stations and shall in no way affect deemed GNA granted to STU, based on ISTS drawal. No transmission charges are proposed to be levied on account of GNA granted to the generating station under the instant clause.

## 11 **New Regulation 18.3 in the Principal Regulations:**

11.1 The Draft Amendment proposed addition of a new Regulation 18.3 as under:

*"18.3 For a host State in which a regional generating station is located, and is connected only to STU system or connected to both STU system and ISTS, the GNA quantum at Annexure-I shall be reduced by the GNA quantum calculated based on the methodology specified in Annexure-II to these Regulations."*

11.1.1 BRPL and BYPL have commented that Bawana CCGT station is an existing Regional Station a connected to STU of Delhi only. So, it should be taken into account when computing Delhi's "Direct Drawal" and appropriately considered in Annexures-I & II.

11.1.2 PCKL has commented that the GNA has been computed considering maximum ISTS drawal in a time block during the year + [ average of (maximum ISTS drawal in a time block in a day) during the year]. Hence, once again, reducing the GNA quantum may not be appropriate.

11.1.3 TANGEDCO has commented that the methodology specified in Annexure -II is contrary to the methodology notified under Regulation 18.1 of the GNA Regulations 2022. The drawal through the Intra State network should have been excluded from the computation.

## 11.2 **Analysis and Decision**

11.2.1 In respect of the comment of BRPL and BYPL, it is clarified that the provision shall be applicable for all the eligible cases in terms of Regulation 18.3.

11.2.2 With respect to PCKL comments, it is clarified that the GNA quantum corresponding to ISTS drawal, which was drawn through STU-owned lines, has only been proposed to be reduced to take care of the concerns of the States where such power is drawn through STU owned lines. The relevant extract of the Explanatory memorandum is quoted as follows:

*"We observe that while calculating GNA under Regulation 18.1, ISTS drawl for last 3 years were considered which included ISTS drawl from periphery of such generating station where a State draws its power directly through intra-State transmission system. Considering the comprehensive discussion at SRPC, a methodology has been proposed to reduce the ISTS drawal time-blockwise corresponding to the schedule of such State from such generating station. It is also proposed that NLDC may calculate such quantum and determine the GNA to be reduced from the notified GNA as per Annexure-I to GNA Regulations for the purpose of Sharing of inter-State transmission charges. "*

11.2.3 In respect of TANGEDCO's comments, the justification and reason for considering the methodology are well deliberated under the EM and which is also based on the principle deliberated at the SRPC level and on the actual drawal data.

## 12 **New Regulation 20.4 and Regulation 26.4, in the Principal Regulations:**

12.1 Draft Amendment proposed addition of new Regulation 20.4 and 26.4 as under:

*"20.4 Entities covered under clause (iii) of Regulation 17.1 of these regulations shall be eligible to apply for GNA to draw power only from renewable sources as identified at clause (2) of the Regulation 13 of the Sharing Regulations. Such GNA shall be called as  $GNA_{RE}$  for purpose of calculation of transmission charges in accordance with the Sharing Regulations. For purpose of these regulations  $GNA_{RE}$  shall be same as GNA:*

*Provided that if such an entity with  $GNA_{RE}$  intends to draw power from the sources other than the sources identified at clause (2) of the Regulation 13 of the Sharing Regulations, it may:*

- (a) apply for grant of additional GNA; or*
- (b) it may convert GNA<sub>RE</sub> into GNA by making an application to the Nodal Agency.”*

.....

*26.4 Entities covered under sub-clauses (i) and (ii) to clause (a) of Regulation 26.1 of these regulations shall be eligible to apply for T-GNA to draw power only from renewable sources as identified at clause (2) of the Regulation 13 of the Sharing Regulations. Such T-GNA shall be called as T-GNA<sub>RE</sub> for purpose of calculation of transmission charges in accordance with the Sharing Regulations. For purpose of these regulations T-GNA<sub>RE</sub> shall be same as GNA:*

*Provided that if such an entity with T-GNA<sub>RE</sub> intends to draw power from the sources other than the sources identified at clause (2) of the Regulation 13 of the Sharing Regulations, it may:*

- (a) apply for grant of additional T-GNA; or*
- (b) it may convert T-GNARE into T-GNA by making an application to the Nodal Agency.”*

12.1.1 CTUIL commented that as per these Regulations, bulk consumers/ distribution licensees should be initially eligible to draw power from RE sources only; this may create issues as several Bulk consumers may desire to source their power from their own conventional plants initially. However, as per these Regulations these entities have to apply for GNA<sub>RE</sub> first and only then subsequently convert to GNA.

12.1.2 CPPA, StatKraft, Tata Power, Renew Power, and SPDA have suggested adding the entity covered under clause (ii) of Regulation 17.2 as an eligible entity under the proposed new Regulation 20.4, as most of the consumers taking power through open access are connected to the intra- state transmission system.

12.1.3 CPPA further commented that the GNA<sub>RE</sub> grantee might be allowed to utilize the GNA partly for RE during the different time periods of the day and partly for conventional power during the balance period of the day within the same GNA quantum so as to get RTC power. In such cases, the benefit of ISTS waiver shall be also be allowed as per the Sharing Regulations.

12.1.4 Renew Power also commented that RE generation is not available 24x7, and generation from wind and solar sources is variable in nature depending upon the availability of resources. Therefore, the Commission needs to clarify that the drawal of power by Bulk Consumers is not restricted to RE only, and they can apply for GNA other than GNA<sub>RE</sub> to draw power as per their requirements.

- 12.1.5 MPL sought clarification on whether there are any charges involved in the conversion of GNARE to GNA?
- 12.1.6 APL, EGPIPL, Vena Energy, MUL, AEML, GEPL, AAPL, OEPL, WIPPA and Sembcorp have commented that State Transmission Utility on behalf of intra-State entities including Distribution licensees, a drawee entity connected to intra-State transmission system and Distribution Licensees on behalf of its Consumers should also be eligible to obtain GNARE for getting ISTS waivers under GNARE. Accordingly, APL, EGPIPL, MUL, and AEML suggested considering the entities covered under clause (i) to (iii) of Regulation 17.1 of the GNA Regulations, including Distribution Licensees on behalf of their Consumers, under the proposed Regulation. AP SPDCL commented that the entities covered under clause (i) of regulation 17.1, i.e., STU on behalf of distribution licensees, should be given the opportunity to declare the GNARE quantum from their existing GNA quantum equal to the LTA quantum of power that is already being exempted as per regulation 13 of the Sharing Regulations.
- 12.1.7 EGPIPL, SRIPL, and GEPL have suggested allowing conversion of GNA into GNARE.
- 12.1.8 SRIPL has suggested adding a provision as follows:
- “Provided that in case such entities are granted a certain quantum of GNARE (“A” MW}, and then later apply for additional quantum of GNARE (“B” MW), then such additional quantum granted would be clubbed together and be considered as a single total quantum of GNARE (“C” MW=“A+B” MW} post later of the date of operationalisation of GNARE.”*
- 12.1.9 Sembcorp and WIPPA have commented that the treatment for ISTS waiver for drawing RE power should be kept uniform for all the drawee entities irrespective of whether they are connected to intra state or interstate transmission systems. Accordingly, Sembcorp has suggested that all drawee entities covered under Regulation 26.1 should be eligible to apply for T-GNARE.
- 12.1.10 Tata Power commented that Regulation 26.4 should also include entities covered in 26.1 (a) (vi), i.e., Standalone ESS, and 26.1 (c), i.e., power exchanges for collective and bilateral transactions on behalf of (i) buyer(s) covered under clause (a) of this Regulation 26.1.



## 12.2 Analysis and Decision.

12.2.1 Considering the stakeholders' suggestions, it has been provided that GNA<sub>RE</sub> may be obtained by an intra-State entity covered under Regulation 17.1(ii). Similarly, all drawee entities under Regulation 26.1(a) have been made eligible to seek T-GNA<sub>RE</sub>. However, such intra-State entity seeking GNA<sub>RE</sub> or T-GNA<sub>RE</sub> for drawal of power from ISTS shall submit an application along with the consent of the concerned STU in terms of availability of transmission capacity in intra-State transmission system for such quantum and period of GNA<sub>RE</sub> or T-GNA<sub>RE</sub>.

12.2.2 With respect to clarification sought by CTU, it is clarified that a Bulk consumer shall be eligible to seek GNA or GNA<sub>RE</sub> as per its requirement. It is not the case that Bulk consumer has to mandatorily take GNA<sub>RE</sub> and then convert it to GNA. It may seek GNA if it wishes to draw power from sources other than RE sources.

12.2.3 The suggestion to consider GNA<sub>RE</sub> for entities that are already GNA grantees is not accepted. The concept of GNA<sub>RE</sub> has been introduced keeping in view suggestions received under the First Amendment of the 2020 Sharing Regulations, where the requirement of GNA for entities that are getting connected to ISTS only for the purpose of drawal of power from RE sources had arisen. The relevant extract of the Explanatory Memorandum is as follows:

*“34. Stakeholders such as MOP, CPPA, JSW, Vedanta Ltd., BALCO, Enel Green Power, WIPPA, Tata Power, Sterlite Power Transmission Ltd have vide their comments on draft First Amendment to CERC (Sharing of inter-State transmission charges and losses) Regulations, 2020 have suggested to suitably incorporate the provision of waiver of Inter-State Transmission charges for the dedicated consumer procuring/utilizing GNA for RE power only. Stakeholders had submitted that full RE quantum is not available 24x7, during night hours, the Solar RE quantum would be zero. Also, the generation from wind and solar source is variable in nature depending upon availability of resource and doesn't complement the GNA capacity. Further despite procurement of power only from wind & solar sources such consumers will be forced to pay transmission charges.”*

Once an entity has sought GNA<sub>RE</sub>, saying that it wishes to draw only RE power, allowing such an entity to obtain GNA and draw power other than RE is not in line with the rationale of the introduction of GNA<sub>RE</sub>. An entity having a GNA can draw RE Power within its GNA and is eligible for a waiver for such drawal

as per the Sharing Regulations. There is no requirement to seek additional GNA<sub>RE</sub> to draw RE power for such an entity.

12.2.4 The conversion of GNA to GNA<sub>RE</sub> is not proposed since an entity that got ISTS constructed for the quantum of GNA, later by way of conversion to GNA<sub>RE</sub>, shall seek to be eligible for a full waiver of ISTS charges, thereby burdening the other DICs for transmission, charges for the ISTS constructed to cater to its GNA requirement. Accordingly, the suggestion of CPPA to convert GNA<sub>RE</sub> to GNA for part of the day is also rejected. It is also clarified that an entity can avail of a waiver of the transmission charges by scheduling RE power under GNA in terms of Regulation 13(2) of the Sharing Regulations.

12.2.5 With regard to the query of MPL, it is clarified that no charges are required for seeking conversion from GNA<sub>RE</sub> to GNA.

12.2.6 The suggestion of SRIPL to add GNA<sub>RE</sub> quantum with additional GNA<sub>RE</sub> quantum taken at a later date as it is already provided for in the Regulations.

### 13 **Amendment to Regulation 22.2 of the Principal Regulations:**

13.1 Draft Amendment proposed adding a new clause (b-i) under Regulation 22.2 as under:

*“(b-i) Entities covered under clause (iii) of Regulation 17.1 shall furnish Conn-BG1 for Rs 50 lakhs per application and Conn-BG3 for Rs 2 lakh/MW.*

13.1.1 SPDA commented that the proposal for seeking Conn-BG1, Conn-BG2, and Conn-BG3 may be exempted from Green Hydrogen Producers falling under Clause 17.1(ii) and (iii) of GNA Regulations.

### 13.2 **Analysis and Decision.**

13.2.1 The Conn-BG1 and ConnBG3 are being taken uniformly from all the entities covered under Regulation 17.1(iii) as security towards the utilisation of the ISTS system and further, the BGs are refundable as per provisions of the GNA Regulations.

13.2.2 It is also clarified that no Conn-BGs are required for the application for a grant of GNA for an entity covered under Regulation 17.1(ii).

### 14 **Amendment to Regulation 23.1 of the Principal Regulations:**

14.1 The draft Amendment proposed as under:

*“The words “1 (one) year” shall be substituted with the words “3 (three) years” in the first para of the Regulation 23.1 of the Principal Regulations.”*

- 14.1.1 MSEDCL has commented that the time period for using GNA of the GNA grantee in full or part may be retained as one year and can be made extendable to three years with the consent of the entities and due permission of the Nodal Agency to be taken every year.
- 14.1.2 PTC India supported the amendment stating that this provides greater flexibility to use unutilized GNA for a reasonable period.
- 14.1.3 MPL sought clarification on the commercial charges, if any, involved in the use of GNA by other entities.
- 14.1.4 APL has commented that a maximum limit of three years may be removed.

## 14.2 **Analysis and Decision**

- 14.2.1 The duration of use of GNA by the other entity has been increased from one year to three years to facilitate the utilisation of GNA by the other entity and to promote the effective utilisation of the GNA granted. Further the upper limit of three years is not removed since GNA has been sought by the original GNA grantee as per its requirement and permanent transfer is not envisaged as of now.
- 14.2.2 In regard to the clarifications sought by the MPL, it is clarified that such use is based on the mutually agreed terms and conditions, including commercial charges. However, the liability to pay transmission charges shall continue to be with the original GNA grantee.

## 15 **New Regulation 24.6 the Principal Regulations**

- 15.1 Draft Amendment proposed the addition of a new Regulation 24.6 under:

### ***“24.6 Revocation of Connectivity***

(1)

- (a) *Connectivity shall be revoked for the corresponding capacity, if the Connectivity grantee fails to achieve COD either in full or in parts on or before,*
  - (i) *the scheduled date of commercial operation of the generation project, for cases covered under clause (xi)(a) of the Regulation 5.8, as intimated at the time of making application for grant of Connectivity or as extended or delayed commissioning permitted by the Renewable Energy Implementing Agency or the distribution licensee or the authorized agency on behalf of distribution licensee, as the case may be.*

- (ii) *six months after the scheduled date of commercial operation as intimated at time of making application for grant of Connectivity, for cases covered under clause (xi)(b) of the Regulation 5.8.*
  - (b) *In case of Applicants which have been granted Connectivity under clause (xi)(b) of the Regulation 5.8 but are subsequently covered under clause (xi)(a) of the Regulation 5.8, the last date for declaration of COD shall be the SCOD of the project or as extended or delayed commissioning permitted by the Renewable Energy Implementing Agency or the distribution licensee or the authorized agency on behalf of distribution licensee, as the case may be.*
  - (c) *Connectivity granted to an REGS (other than Hydro generating station) or ESS (excluding PSP) shall be revoked, if LOA or PPA on basis of which Connectivity was granted, is terminated prior to the COD of the project.*
  - (d) *Connectivity granted to a Renewable Power Park developer shall be revoked for the corresponding capacity, if the generating station(s) within the Power park fails to achieve COD on or before,*
    - (i) *scheduled date of commercial operation of the generation project as per LOA or PPA as extended or delayed commissioning permitted by the Renewable Energy Implementing Agency or the distribution licensee or the authorized agency on behalf of distribution licensee, as the case may be.*
    - (ii) *six months after the scheduled date of commercial operation for generating station(s) being set up without LOA or PPA.*
- (2) *In case of revocation of Connectivity under subclauses (a) to (d) of Clause (1) of this regulation, Conn-BG-1, Conn-BG2 and Conn-BG3 shall be dealt with in terms of regulation 24.2 or regulation 24.3 of these regulations, as applicable.”*

15.1.1 AMP Energy, ARPL, GEPL, AAPL, and OEPL have suggested extending timelines to 12 months under sub-clause (ii) of Clause (a) as 6-month time period is not sufficient to complete evacuation infrastructure.

15.1.2 SEPL, in respect of sub-clause (a) (ii) of Clause (1), has suggested making adequate provisions under these Regulations for instances where COD may get delayed due to reasons not attributable to the Connectivity Grantee, such as Force Majeure and also direct CTU to make such provisions in related Agreements to be signed by and between the Connectivity Grantee and CTU.

SEPL, in respect of sub-clause (c) of Clause (1), has commented that if the Connectivity is revoked on the basis of termination of the LOA and/or PPA prior to the COD of the project for reasons not attributable to the Connectivity Grantee, there should be a provision under the Regulations and/or the related CTU Agreement to return the BGs to the Connectivity grantee. AEGL commented that there could be some cases where the project would be impacted by an FM event, and respective SCOD extension could not be granted under normal course, and the same may be extended later upon court adjudication or through MNRE guidelines/directions. In such case the

opportunity to take up the project upon such extension given as a special dispensation would be lost if the Connectivity is revoked upon expiry of project timeline.

- 15.1.3 StatKraft has commented that in case of a delay in COD, the connectivity may not be revoked in one go, and the Developer may be asked to submit an extra bank guarantee. This, coupled with the Developer's obligation to pay transmission charges in case of delay in COD, would prevent developers from undue delay in COD.
- 15.1.4 SECI, in respect of sub-clause d(ii) of Clause (1), has suggested adding a provision that in case PPA / LOA capacity stands reduced, the connectivity shall also be reduced to the revised PPA/ LOA capacity.
- 15.1.5 CTUIL has commented that RPPDs are not bound by any revocation clause in case of delay in bidding/LOA issuance by them for the generating station to be set up inside the Power Park. CTUIL suggested that some timelines may be mandated by which bidding and award of LOA should be completed by the RPPD.
- 15.1.6 CTUIL further commented that revocation of connectivity should be applicable based on the status of transmission system availability. If the transmission system is delayed, the delay in generation to match the transmission system should not lead to revocation of connectivity.
- 15.1.7 Greenko, EGPIPL, AEGL, and SPDA have commented that Regulation 24.6 (1)(c), revokes connectivity granted if the LOA/ PPA is terminated. However, PPA termination is usually due to delay in signing of PSAs by REIA with the State or inability to sign the PPA, which are beyond the control of project developers. The developer is not at fault and would have acquired the land, made investments, and progressed on the project development in anticipation of the eventual signing of the PPA. Thus, they have suggested that instead of outright revocation, the developer should be permitted to convert the connectivity granted as granted under the land route and meet the requirements. AEGL has further commented, considering the proposed modification, that the connectivity can still be utilized as merchant power or, in the case of RE park, the same can be utilized by replacing the existing

generator (whose PPA/ LOA got cancelled) with other buying entity/ off taker having valid offtake arrangements.

15.1.8 Torrent Power has commented that revocation in case where the connectivity grantee has made an application through the Land and FC route shall also be subject to Force Majeure event or event beyond the scope of the connectivity grantee and shall be permitted a timeframe of 9 months after SCOD to address any eventualities. Torrent Power further commented that before the revocation of the connectivity due to reasons detailed in this clause, the grantee may be given the first option to convert or use the same connectivity for any other PPA / another project within a stipulated time frame. Further, where the connectivity grantee is applying through the PPA route and in case the PPA is terminated, then the grantee may be given an opportunity to continue its connectivity by fulfilling the land ownership and equity infusion criteria before revoking its connectivity.

15.1.9 WIPPA and Semcorp have commented that till the time developer is paying the YTC charges and the required BGs are in place, revocation of connectivity should not happen for such delayed projects. Further, in case of PPA termination, the project developer should be given the option to convert its project, which was granted connectivity under the PPA/LOA route, to the Land + Equity route, provided it is able to submit documents related to land rights and financial closure or release of 10% equity. They have also commented that if the connectivity had been granted on the basis of Land + Equity/Financial closure, there should be a provision that if a delay in the project happens due to uncontrollable reasons, the Commission can provide appropriate relaxation for the revocation of connectivity. Also, the plants with a capacity >250MW may be provided 2 years (instead of the proposed 6 months) from SCOD, and projects up to 250MW may be provided 1 year before revoking the connectivity.

## 15.2 **Analysis and Decision**

15.2.1 As already explained under the EM, the proposed provisions have been made to address the issue of squatting on Connectivity and to promote serious players. Therefore, we are not in favour of changing the various timelines for



triggering the revocation of the Connectivity. However, considering the comments of the stakeholders and CTUIL's suggestion that revocation of connectivity should be applicable based on the status of transmission system availability, modification has been made in Clause (1)(a) that revocation of connectivity shall be done only if the Connectivity and corresponding GNA has been made effective in terms of Clause (a) of Regulation 22.4 of the GNA Regulations.

- 15.2.2 In respect of the AMP Energy comment, it is mentioned that the start date of the connectivity or operationalisation of the GNA is not linked with the provision under the LoA/PPA or bidding document. The transmission system, which has been implemented and commissioned for the evacuation of the power of the generator, but the corresponding generator has not achieved commissioning or the evacuation system, which has been booked in the existing system, but the generator has not achieved commissioning on the date of start of connectivity, shall remain stranded and burden of such transmission system cannot be passed on to the DICs without utilisation of the same. Therefore, the entity because of which the transmission system could not be put into service shall be responsible for payment of the bilateral transmission charges in terms of the Sharing Regulations.
- 15.2.3 In respect of stakeholders' suggestion to allow relaxation in case of non-commissioning of the project due to Force Majeure, we are of the view that the provisions of the Regulations ensure that a project developer should endeavour to commission its project in time. However, despite that, if it is affected by unforeseen events under force majeure is a matter for which the entity can take appropriate legal remedies.
- 15.2.4 Further, the suggestion to allow the transfer of Connectivity from LoA route to Land route in case of termination of the LoA/PPA prior to the commissioning of the project, is not considered as of now. Further such provision may be considered after pre-publication as deemed fit at an appropriate stage.
- 15.2.5 Regarding comments not to revoke the Connectivity as the Connectivity grantee is already liable to pay the transmission charges in case of delay in COD in terms of the Sharing Regulations, it is clarified that irrespective of payment of transmission charges, a generation project must achieve the milestones and commission the project by the specified timelines so that

transmission system is not kept underutilised while the other generation developers are waiting for such transmission system.

15.2.6 The suggestion of CTUIL to mandate timelines by which bidding and award of LOA should be completed by the RPPD cannot be introduced as it is beyond the scope of this amendment.

15.2.7 As regards the suggestion of SECI to reduce Connectivity if LOA is reduced, we are of the view that reduction of LOA for part capacity is equivalent to termination of LOA for such part capacity and shall be treated under revocation of Connectivity for the corresponding capacity.

## 16 **Amendment to Regulation 25.1 of the Principal Regulations:**

16.1 Draft Amendment proposed as under:

*“20.1. Regulation 25.1 (except clauses(a) to (d)) of the Principal Regulations shall be substituted as follows:*

*“25.1 For an entity covered under Clauses (i) to (v) of Regulation 17.1, GNA once granted can be relinquished, in full or in parts, with a notice of one year to the Nodal Agency, along with a fee of fifty lac rupees (which will be adjusted from the relinquishment charges) as per following:”*

*20.2. The number “24” shall be substituted with number “18” in clauses (a) and (b) of Regulation 25.1 of the Principal Regulations.*

*20.3. The words “(iv)” shall be substituted with words “(v)” in Clause (b) of Regulation 25.1 of the Principal Regulations.*

*20.4. Second Proviso shall be added after first proviso in Clause (b) of Regulation 25.1 of the Principal Regulations as under:*

*“Provided further that for the entity covered under clause (iii) of Regulation 17.1 of these regulations, if GNA is relinquished prior to date of effectiveness of GNA, Conn-BG1 and Conn-BG3 shall be encashed corresponding to the relinquished quantum as relinquishment charges.”*

*20.5. New clause, namely, clause (e) shall be added after clause (d) to the Regulation 25.1 of the Principal Regulations as under:*

*“(e) Relinquishment charges shall be paid one month prior to effective date of relinquishment failing which relinquishment shall not be effective.”*

*20.6. New Regulation 25.3 shall be added after Regulation 25.2 of the Principal Regulations as under:*

*“25.3 Entity covered under Regulation 17.1(vi) shall be governed in terms of Regulation 24 in case of relinquishment of GNA”*

16.1.1 AP SPDCL has commented that it is not practically feasible for the beneficiaries to determine the GNA to be relinquished one year prior to the effective date, and therefore, the notice period for relinquishment of GNA be reduced to three (3) months. Further, AP SPDCL has suggested that the relinquishment charges may be reduced to a maximum of 6 times (6 months

period) the transmission charges paid by such intra-State entity for the last billing month.

- 16.1.2 MSEDCL has commented that the notice period may be retained to 30 days as the clause already covers the payment of a fee of fifty lac rupees, which is to be adjusted in the relinquishment charges. This would also enable other entities (which are wanting to use the network) to start using the relinquished network with immediate effect. MSEDCL has also commented that for relinquishment of the GNA in the event of the expiring of the existing PPA of the Distribution Licensee with the interstate generator, the quantum up to contracted capacity with the said generator may be relinquished upon request of the distribution licensee, from the total deemed GNA without applying any relinquishment charges to the Distribution Licensee.
- 16.1.3 MUL and Torrent Power have commented on keeping the original clause of GNA regulation as it is, where GNA, once granted, can be relinquished with a notice of 30 days to the Nodal Agency. Torrent Power has also commented that Relinquishment Charges may be considered for 12 Months instead of 24 Months to compensate for the increase in notice period from 1 month to 1 year.
- 16.1.4 CTUIL suggested replacing the word “paid” with “payable” in Clause (a) and Clause (b).
- 16.1.5 PTC India has commented that the reduction of Relinquishment charges of GNA for states to 18 months from 24 months is a positive step, especially in the initial phases of adoption. PTC India further commented that Clause (e) specifies that Relinquishment charges shall be effective only if paid a month in advance, which makes one month an effective notice period along with payment.
- 16.1.6 BRPL and BYPL have commented that during the notice period, GNA grantees shall be paying monthly GNA charges under the Sharing Regulation, the additional liability of Relinquishment charges equal to 18 times the monthly transmission charges is not justifiable. Therefore, along with the notice period, there should be no relinquishment charges liability on GNA grantees.

## 16.2 **Analysis and Decision**

- 16.2.1 As already explained in the EM the notice period has been increased from 30 days to one year so that the nodal agency may have adequate time to allot the

relinquished GNA quantum, if possible, to other entity(ies) for optimum utilization of the transmission infrastructure. Further, considering the increase in the notice period, the relinquishment charges have been reduced from 24 times to 18 times the monthly transmission charges. The suggestions to reduce relinquishment charges further cannot be considered since the transmission system already constructed needs to be paid for, and any relinquishment of GNA quantum would lead to an increase in the share of charges for other DICs.

16.2.2 In regard to the MSEDCL comment to reduce the GNA quantum without relinquishment charges in the event of the expiring of the existing PPA of the Distribution Licensee with the interstate generator, we are of the view that deemed GNA has been calculated on the basis of actual ISTS drawal and not any specific contract entered into by the discom. Even if a contract is expiring, under the GNA, discom can schedule power from any source. The demand of the discom can be met by sourcing power from any other source.

16.2.3 The suggestion of CTUIL has been considered, and the clause has been modified to replace 'paid' with 'payable' in Clause (a) and Clause (b).

## 17 **Amendment to Regulation 34.2 of the Principal Regulations:**

17.1 Draft Amendment Regulations provide as under:

*“Explanation: In order to determine whether drawal schedule was more than GNA quantum or T-GNA quantum or both in case of collective transaction, SLDC shall furnish to NLDC, each intra-state entity-wise detail of schedule under GNA or T-GNA, as the case may be. NLDC shall issue power exchange wise and entity-wise segregation of payable T-GNA charges.”*

17.1.1 MSEDCL has commented that from the illustrative example given in EM at Para 46, the following comments need to be considered:

- 1) Combined drawal of Distribution Licensees 'Y' and 'Z,' though exceeding by 500MW in a given time block, are paying a combined T-GNA charges for 400MW and are benefitted from 100MW power without any T-GNA charges.
- 2) Here, Distribution Licensee 'X', which has drawn less power by 100 MW with respect to its GNA, needs to be compensated by Distribution Licensees 'Y' and 'Z'.

- 3) Such compensation shall be calculated by the concerned SLDC or nodal agency and issued the bill accordingly.
- 4) There may be instances, when the state as a whole does not exceed the GNA quantum, but one of the intra state distribution licensee may exceed its GNA quantum while others draw less power with respect to their GNA.
- 5) There should be a methodology to settle such issues at the state level.
- 6) Illustrative examples to give clarity in such different situations should be made part of the Regulations.

17.1.2 PTC India commented that this is a welcome clarification issued in this amendment to avoid payment of charges twice under both GNA and T-GNA categories. However, the applicability of T-GNA charges under bilateral transactions within the GNA capacity is not mentioned and may be specified.

17.1.3 Grid-India has commented that the applicability of transmission charges on any entity for collective transactions as provided in Regulation 34.2, depends upon the scheduled drawal quantum of other entities in the state under GNA and T-GNA. Accordingly, if other entities draw more, the concerned entity may have to pay transmission charges and vice versa. The apportionment of the charges on the respective intrastate entities inside the state is the responsibility of the concerned SLDC. However, necessary infrastructure in many states is yet to be implemented for the intimation of schedule under T-GNA and/or GNA for intra state entities within 1 day of the transaction. The delay in updating the scheduling quantum by SLDC for the intra state entities will delay the process of collection of transmission charges as per GNA Regulations.

Grid-India further commented that the application of transmission charge on a post facto basis is not conducive to efficient operations of the electricity market, particularly in the Power Exchange market. The transmission charges should be known upfront by the market participants to take informed decisions. In order to facilitate the efficient operation of the market, upfront charges may be made applicable for participation in STOA, and suitable credit/adjustment/refund may be made against the total transmission charges payable by the entity as per the GNA quantum by CTU. Accordingly, Grid-India suggested substituting the proviso under Regulation 34.2 as under:

*“Provided that under collective transactions, transmission charges for T- GNA shall be payable for drawal schedules as per the last published Transmission charge rate for T-GNA for the State where such point of drawal is located.”*

## **17.2 Analysis and Decision**

17.2.1 In respect of the MSEDCL comment to include clarity of calculation, the examples for the same may be included by NLDC in its Detailed Procedure. Further, the Distribution Licensee ‘X’, which wishes to share its GNA with other GNA grantees with commercial consideration, can do so under Regulation 23 of the GNA Regulations. However, under the instant clause, no compensation is provided for a distribution licensee which has drawn less power by 100 MW with respect to its GNA.

17.2.2 In respect of the PTC India comment, it is clarified that any bilateral transaction scheduled under T-GNA shall be liable for payment of the T-GNA transmission charges and shall not be offset against GNA capacity. An entity is supposed to take additional T-GNA for scheduling bilateral transactions only when it envisages drawing power more than its GNA and has to pay for such T-GNA. However, if an entity is scheduling bilateral transactions within GNA capacity, then there is no need to take additional T-GNA for the entity since it can get such power scheduled within GNA.

17.2.3 With respect to suggestions of Grid-India regarding issues with working out quantum within 1 day by SLDC, NLDC may devise a mechanism to handhold the SLDCs till they are equipped to provide the required data. Further, the suggestion to collect transmission charges upfront is not accepted since States having GNA and transacting under collective transactions shall have to block the charges even when they have planned adequate GNA for their drawal requirement.

## **18 New Annexure-II the Principal Regulations:**

18.1 Draft Amendment proposed the addition of a new Annexure-II regarding Methodology to determine ‘Direct drawal’ by a State from a regional entity generating station.

18.1.1 SRPC has commented that CTU should provide the details of the network planned/implemented at the time of commissioning of such Generating Station to NLDC. SRPC also suggested removing the sub-clause (ix) of Clause (a) as the formulae in the First Amendment of the Sharing Regulations for the State



would take care of this direct drawal as this Direct drawal is included in GNA (as per Annexure-I of Principal Regulations) and also accounted in the actual drawal. If the Direct drawal has to be removed from the Actual drawal, then GNAd has to be removed from GNA to bring both figures to a comparable level.

18.1.2 AP SPDCL has commented that the GNA quantum for each entity was calculated by CERC after considering the averages of the Peak drawal of each Entity from ISTS. Hence, it is requested that on similar lines, ISTS drawal through the STU network may be calculated as follows:

Direct drawal = highest of Actual ISTS drawal through STU feeders connected to identified generating station or drawal schedule of the State from such generating station for corresponding block.

18.1.3 BRPL and BYPL have sought clarification on consideration of GNA quantum for billing as per the Ssharing regulation, i.e., GNA as per Annexure I or GNAd as per sub-clause (v) of clause a) of Annexure-II.

18.1.4 TANGEDCO has commented that the above methodology is illogical and irrational due to the following reasons:

a. Firstly, if the Commission decides to consider the actual drawal quantum instead of the contracted quantum (LTA &MTOA), then it would be appropriate to exclude all the Intra State drawal nodes from the computation of ISTS drawal irrespective of the time horizon of planning of the Intra State lines intended for drawal of power from ISGS to home State. The State Transmission Utilities have infused huge public funds for the creation of such intra State drawal network for the purpose of drawing power from the ISGS.

b. Commission has considered the deliberation held during the 39th Meeting of the Technical Coordination Sub-Committee (TCC) of SRPC held on 3<sup>rd</sup> December 2021 and at the 39th Meeting of Southern Regional Power Committee (SRPC) held on 06th December 2021 for adopting the methodology for determination of deemed GNA. It is pertinent to state that the deliberations held during the meeting were related to the exclusion of deemed LTA wrongly considered by CTUIL for sharing the transmission charges. TANGEDCO has not agreed with the proposal of CTUIL and the same has been challenged before CERC.

c. However, the proposal of CTUIL has nothing to do with the methodology notified by Hon'ble CERC. The methodology notified by the Commission is independent of the contract and wholly dependent on the actual drawal through the ISTS network. Hence, it is judicious to exclude the drawal through the Intra State network that is directly connected to the bus bar of ISGS.

When the drawal through ISTS is considered at the maximum drawal time block. the actual drawal through the Intra State should also be considered at the same time block.

h. It is irrational and unjust to consider either 'Lower of Actual ISTS drawal through STU feeders' or 'drawal schedule of the State from such generating station for the corresponding block.' The same methodology/principle should be adopted, and ISTS and Intra STS should be treated equally.

i. It is submitted that either of the following methodologies may be adopted:

Deemed GNA to be decided based on LTA+MTOA of the drawee entities.

Or

Drawal through Intra State should be excluded from the total ISTS drawal for the representative time blocks when considering the maximum ISTS drawals for computing deemed GNA.

j. It is submitted that if the Commission decides to continue with the same methodology of considering the maximum drawal through the ISTS network for computing the deemed GNA, then the drawal through the following Intra State drawal node shall be excluded taking into consideration of all the Intra State nodes.

Intra State drawal nodes to be excluded:

<b>Intra State Drawl nodes considered as ISTS drawl nodes</b>				
SI.No.	Meter Code	Meter Number	Lines/ICTs	Connected to Substation
1	N1-43	NL-0067-A	STCMS	Neyveli TS 2 - 230 KV feeders
2	N1-53	NL-0014-A	Ulundurpet	Neyveli TS 2 - 230 KV feeders
3	N1-41	NL-0066-A	Kadalangudi	Neyveli TS 2 - 230 KV feeders
4	N2-21	NX-0600-A	NLC TS2 feeder 1	NLC TNEB AT NLC2
5	N2-23	NX-0599-A	NLC TS2 feeder 2	NLC TNEB AT NLC2
6	NN-19	NN-0519-A	At Neyveli TNEB SS	NLC (TN)
7	NN-21	NN-0502-A	At Neyveli TNEB SS	NLC (TN)
8	MA-05	NP-4020-A	SP Koil 1	Kalpakkam
9	MA-08	NP-4021-A	SP Koil 2	Kalpakkam
10	MA-03	NP-4022-A	Echur	Kalpakkam
11	MA-01	NP-4023-A	Achrapakkam	Kalpakkam
12	VL-29	NP-7807-A	400 kV NCTPS	Vallur
13	VL-30	NP-7808-A	400 kV NCTPS	Vallur
14	KN-11	NP-5660-A	SR Pudhur	Kudankulam
15	KN-09	NP-8340-A	TTPS	Kudankulam

## 18.2 Analysis and Decision

18.2.1 We agree with the SRPC suggestion that CTUIL should provide the details of the STU network planned and implemented to evacuate the State's share of power from such generating station at the time of commissioning of the concerned generating station. In respect of the SRPC suggestion to delete the sub-clause(ix) of Clause (a) in respect of Transmission Deviation, it is clarified

that transmission deviation for a State shall be calculated considering GNA quantum for the State after excluding GNAd. Hence, while considering actual drawal while calculating transmission deviation, the required reductions have been proposed in these Regulations.

- 18.2.2 In respect of the AP SPDCL comment, it is clarified that the time block-wise actual ISTS drawal was considered for the years 2018-2021 to determine the GNA quantum. Out of the actual ISTS drawal, the quantum of direct drawal is to be reduced. It cannot be the case that direct drawal in one-time block is utilised to reduce actual ISTS drawal in other time blocks.
- 18.2.3 In respect of the BRPL and BYPL comment, it is clarified that the sub-clause (vii) of Clause (a) of Annexure-II already provides that for the purpose of the Sharing of transmission charges under the Sharing Regulations, GNA for the State shall be considered after reducing GNAd from GNA as per Annexure-I of these Regulations.
- 18.2.4 In respect of the TANGEDCO's comments, it is clarified that the entire injection at intra-State nodes at ISTS periphery of CGS connected both to ISTS and intra-State system cannot be considered. The amendment has been proposed on representations received from TANGEDCO and APPCC as provided in the Explanatory Memorandum quoted as follows:

*"8. TANGEDCO vide its letters dated 13.07.2022, 22.08.2022 and 14.11.2022 has submitted that TANGEDCO is drawing power from CGSs viz. Madras Atomic Power Station (MAPS), Neyveli TS II, NTECL Vallur, MAPS and Kudankulam Atomic Station through the intra-State network. TANGEDCO has requested to exclude the quantum of power drawn through intra-State network for assessing the deemed GNA quantum as per the Regulation 18.1 of the GNA Regulations. Andhra Pradesh Power Coordination Committee (APPCC) vide letter dated 12-12-2022 has also raised the similar concern and requested for exclusion of the AP's allocation 461.1 MW from NTPC Simhadri Station-I which is connected to AP STU network from the deemed GNA quantum of Andhra Pradesh."*

The rationale for the introduction of the amendment was the exclusion of power injected at the Central generating station, which the State was drawing through its own network. In case a State is drawing power more than its entitled schedule from such CGS, it cannot be considered as being drawn directly from CGS since such extra power is scheduled for other States and would flow through ISTS. Hence, any exemption of such extra power drawn from CGS cannot be given to the host State. Further, the intra-State system as planned to evacuate the State share has been considered because if a State has not

planned to evacuate its share through intra-State and got ISTS planned to evacuate its share, subsequently plans intra- State system, exemption from ISTS in such case cannot be given since ISTS system has already been planned and executed to cater to such drawal.

Further the list of drawal nodes to be considered under Annexure-II shall be as provided by CTU.

**sd/  
(Arun Goyal)  
Member**

**sd/  
(Jishnu Barua)  
Chairperson**

**List of Stakeholders who submitted written Comments/Suggestions**

Sl. No.	Name
1	AB Energia Renewables Pvt Ltd
2	ABC Renewable Energy Private Limited
3	Adani Green Energy Ltd
4	Adani Power Limited
5	Aditya Birla Renewables Limited
6	AEML
7	Amp Energy
8	Amplus AGES Pvt. Ltd.
9	AP Discom
10	Ayana Renewables Power Pvt. Ltd.
11	Azure Power
12	Blupine Energy
13	Bright Night India Pvt. Ltd.
14	BSES Yamuna Power Ltd. (BYPL)
15	BSES Rajdhani Power Ltd. (BRPL)
16	CMEESPL
17	Captive Power Producers Association (CPPA)
18	CTUIL
19	EDF Renewables India Pvt. Ltd.
20	Enel Green Power India Pvt. Ltd.
21	Fortum India Pvt. Ltd.
22	Greenko Energies
23	Grian Energy Pvt. Ltd.
24	GRIDCO
25	Grid Controller of India Ltd.
26	HPX
27	IEX
28	InWEA
29	ITC
30	Manikaran Power Ltd.
31	MPSEZ Utilities Ltd.
32	MSEDCL

33	NSEFI
34	NTPC Ltd.
35	O2 Power Pvt. Ltd.
36	One Volt Energy Pvt. Ltd.
37	PCKL
38	PrKTCL
39	PTC India Ltd.
40	Renew Power Private Ltd.
41	SECI
42	Sembcorp
43	Serentica Renewables
44	Sh. Ravinder
45	Solar Power Developer Association
46	Sprng Energy Pvt. Ltd.
47	SRPC
48	Statkraft
49	TANGEDCO
50	Tata Power
51	Torrent Power
52	Vena Energy
53	WIPPA



**List of stakeholders who made oral submission/presentation during Public  
Hearing held on 13.03.2023 on Draft Regulations**

<b>Sl. No.</b>	<b>Name</b>	<b>Remarks</b>
1	CleanMax	PPT presentation
2	CTUIL	PPT presentation
3	Grid Controller of India Ltd.	PPT presentation
4	GRIDCO	PPT presentation
5	IEX	PPT presentation
6	ITC	PPT presentation
7	NTPC	PPT presentation
8	O2 Power	PPT presentation
9	Sembcorp	PPT presentation
10	Serentica	PPT presentation
11	TANGEDCO	PPT presentation
12	PCKL	Oral Submission
13	Reliance Industry Limited	Oral Submission
14	ACME	Oral Submission
15	Azure Power	Oral Submission
16	Amplus Solar	Oral Submission
17	ITC	Oral Submission
18	HVPNL	Oral Submission
19	PSPCL	Oral Submission