

Date: 27.02.2023

To  
The Secretary,  
Central Electricity Regulatory Commission,  
3<sup>rd</sup> & 4<sup>th</sup> Floor, Chanderlok Building, 36, Janpath,  
New Delhi-110001

**Subject:** *Comments/Suggestions on proposed draft CERC Connectivity and General Network Access to the inter-State Transmission System (First Amendment) Regulations, 2023*

**Reference:** CERC Public Notice dated 27.01.2023 on draft CERC Connectivity and General Network Access to the inter-State Transmission System (First Amendment) Regulations, 2023.

Dear Sir,

Greetings from ReNew Power!

ReNew Power is one of the largest renewable power producers in India, having an aggregated portfolio of ~13 GW, including ~8 GW of operational capacity. We have portfolio of solar, wind & hydro assets with presence across 10 states in the country, having an asset base of more than Rs. 60,000 Crores. The company is also the first Indian renewable company to be listed on NASDAQ.

This is in reference to public notice issued by CERC inviting comments on **Connectivity and General Network Access to the inter-State Transmission System (First Amendment) Regulations, 2023**. We are herewith submitting our comments as per attachment.

We request your good office to kindly consider our comments/suggestions while finalizing the same.

Thanking you.

Yours Sincerely,

A handwritten signature in blue ink that reads 'Smarajit Sahoo'.

for ReNew Power Private Limited

**ReNew Power Private Limited**

(Formerly Known as ReNew Power Limited and ReNew Power Ventures Private Limited)

**CIN:** U40300DL2011PTC291527

**Registered Office:** 138, Ansal Chambers-II, Bhikaji Cama Place, Delhi- 110066

**Tel:** +91 11 4677 2200, **Fax:** +91 11 4111 2980

**Corporate Office:** ReNew.Hub, Commercial Block-1, Zone-6, Golf Course Road, DLF City Phase-V, Gurugram - 122009

**Tel:** +91 12 4489 6670, **Fax:** +91 12 4489 6699

**Email:** info@renewpower.in, **Web:** www.renewpower.in

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

| Sl. No. | Proposed Regulations in the Draft Amendment  | Proposed changes  | Rationale/Clarification   |
|---------|--|---|---|
| 1.      | 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   | 5.2 Notwithstanding anything contained in Regulation 5.1, a generating station or ESS, with prior approval of CTU, shall be eligible to add <b>at least 10% of existing capacity</b> , 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  | In this regulation, the maximum capacity allowed to be added within the quantum of Connectivity granted in not provided.<br><b>We request the Hon'ble Commission to allow addition of at least 10% of additional generation capacity within the quantum of Connectivity granted.</b> This will help in greater utilization of transmission assets. Further, RE Developers will also be able to meet their CUF requirements as per PPAs with Renewable Energy Implementing Agency or a distribution licensee or an authorized agency on behalf of distribution licensee. <b>We also request the Hon'ble Commission to specify documents required for additional capacity addition along with additional 'Application Fee', if any.</b> |
| 2.      | <b>Amendment to Regulation 5.8 [Addition to New Clause 5.8(xi)]:</b><br>“(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:<br>(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 | <b>Addition of new clauses 5.8 (xii) and 5.8(xiii) after proposed clause (xi) of Regulation 5.8 of the Principal Regulations as under:</b><br><br>(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 | We would like to submit that several RE Developers have terminated PPAs on account of reasons beyond their control such as change in policies by State Governments, inordinate delay in issuance of LOA/signing of PPA/PSA and other force majeure events. However, after termination of PPA, the developers have not been able to properly utilize the Connectivity secured basis the PPA/LOA as the conversion of Connectivity secured basis the PPA/LOA to land based connectivity is not allowed in the Connectivity Regulations, 2009  |

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|         | <p>to tariff based competitive bidding, as the case may be:</p> <p>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.</p> <p>Or (b)</p> <p>(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</p> <p>(ii) Auditor's certificate, certifying the release of at least 10% of the project cost including the land acquisition cost through equity."</p> <p><b>24.6 Revocation of Connectivity</b></p> <p>(1)(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.</p> | <p>licensee consequent to tariff based competitive bidding, as the case may be.</p> <p>(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</p> <p>(i) Ownership or lease rights or land use rights of the land.</p> <p>(ii) Financial closure with sanction letter from financial institution</p> <p>(iii) Auditor's certificate, certifying the release of at least 10% of the project cost including the land acquisition cost through equity.</p> | <p>as amendment from time to time or the GNA Regulations, 2022. Further, in these cases, the liability of transmission charges starts to accrue after operationalization of LTA without the same being utilized by the developer for evacuation of RE Power.</p> <p>It is to be noted that the Connectivity secured basis the PPA/LOA can be utilized to develop RE Projects on merchant basis if the same is allowed to use the connectivity granted basis PPA/LOA.</p> <p>The Connectivity Regulations as amendment from time to time and the GNA Regulations 2022 allow conversion of connectivity secured basis availability of land to PPA based connectivity subject to submission of PPA 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. However, vise-versa is not allowed. Therefore, upon termination of PPA, developers are left with no option but to relinquish Connectivity/LTA and pay huge penalty or bear monthly transmission charges for no fault of theirs.</p> <p><b>In view of the above, we request this Commission to allow fungibility between the two ways to secure connectivity, i.e., connectivity secured basis PPA/LOA should be allowed to be converted to land-based Connectivity and vise-versa.</b></p> |

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| 3.      | <p><b>New Regulation 9.3:</b></p> <p>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:</p> | <p><b>New Regulation 9.3:</b></p> <p>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,</p> <p>(a) within a period of 12 months or <b>within timeline as per 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, whichever is later</b>, 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</p> <p>(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 or <b>within timeline as per 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, whichever is later</b>, from date of issuance of final grant of connectivity.</p> | <p>The timeline for achieving financial closure is governed as per the terms and conditions of the 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. Further, the timeline for achieving financial closure may be extended by the Renewable Energy Implementing Agency or a distribution licensee or an authorized agency on behalf of distribution licensee as per the terms and conditions of the PPA.</p> <p><b>Therefore, we request the Hon'ble Commission to suitably modify the proposed regulation to align the timeline for achieving Financial Closure with timeline provided in the 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.</b></p> |
| 4.      | <p><b>Regulation 15.1: New proviso shall be added after the first proviso to the Regulation 15.1 of the Principal Regulations</b></p> <p>"Provided further that where a bulk consumer has been granted GNA under Regulation 17.1(iii)</p>   |   | <p>We request the Hon'ble Commission to provide clarification on the shareholding pattern of Bulk Consumers (GNA Grantee) in its subsidiary.</p>   |

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|         | seeking to connect to ISTS directly, GNA granted to such Bulk consumer may be utilized in part or full by its subsidiaries.”  |  | Further, as provided in Regulation 15.3 of the GNA Regulations, 2022, Bulk Consumers may also be allowed to transfer connectivity after COD.  |
|         | <p>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.</p> <p>17.1.(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.</p>  |  | <p>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.</p> <p><b>We request the Hon’ble Commission to clarify the requirement of CONN-BGs to be furnished by Bulk Consumers.</b></p>   |
| 5.      | <p><b>New Regulations 20.4 and 26.4</b></p> <p>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<sub>RE</sub> for purpose of calculation of transmission charges in accordance with the Sharing Regulations. For purpose of these regulations GNA<sub>RE</sub> shall be same as GNA:</p> <p>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</p> | <p><b>New Regulations 20.4 and 26.4</b></p> <p>20.4 Entities covered under clauses <u>(ii) &amp;</u> (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<sub>RE</sub> for purpose of calculation of transmission charges in accordance with the Sharing Regulations. For purpose of these regulations GNA<sub>RE</sub> shall be same as GNA.</p> <p>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</p> | <p>As per the EM to draft 1st amendment to the GNA Regulations 2022, the Commission has added these new Regulations to address the concerns raised by RE Developers to extend waiver of ISTS charges to consumers procuring/ utilizing GNA for RE power only.</p> <p>We would like to submit that the entities covered under Regulation 17.1(iii) are DISCOMs and Bulk Consumers directly connected to ISTS. As you are ware that till date only one bulk consumer (Essar Steel) is directly connected to ISTS. Whereas most of the consumers are connected to Intra-state system and are utilizing LTA for procuring RE power only. Therefore, with the proposed addition of</p> |

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|         | <p>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.</p> | <p>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</p> | <p>new regulations, consumers connected to intra-State system will not be able to apply for GNA<sub>RE</sub>/T-GNA<sub>RE</sub> and hence, will not be able to avail intended benefit of ISTS charge waiver. Further, the proposed addition will not adequately address the concerns raised by the stakeholders.</p> <p>Also, the directions issued by the Hon'ble Ministry of Power ("MoP") in this regard intends to extend the benefit of ISTS charges waiver to all consumers procuring power from wind and solar based sources without distinguishing them on basis of level of grid connectivity. Treating Intra-state Transmission connected entities differently will create a distinction among the consumers against the direction of MoP.</p> <p><b>Therefore, we request this Commission to also allow entities covered under Regulations 17.1(ii) as eligible entities to apply for GNA<sub>RE</sub>/T-GNA<sub>RE</sub> to draw power only from renewable sources as identified at clause (2) of the Regulation 13 of the Sharing Regulations.</b></p> <p>Further, from the plain reading of the regulations 20.4 and 26.4, it appears that Bulk Consumers are eligible to apply for GNA<sub>RE</sub> and T-GNA<sub>RE</sub> only. Although, Bulk Consumers would like to draw maximum power from RE sources to avail benefits of ISTS charge waiver.</p> |

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|         |  |                  | <p>However, as we are aware that RE generation is not available 24x7. Also, the generation from wind and solar source is variable in nature depending upon availability of resource. Therefore, Bulk Consumers would like to draw power from other sources also to meet their time block wise requirement.</p> <p><b>In view of the above, we request this Commission 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.</b></p>   |
|         | <p><b>New Regulation:</b><br/>Coordination between RE Developer, Procurer/DISCOMs and STU.</p> |                  | <p>As per the existing Connectivity Regulations, 2009 and detailed procedure issued thereunder, the LTA grantee needs to obtain NoC from STU for transfer of power from COD of the RE Plant. However, with notification of GNA Regulations 2022, the requirement of NoC from STU has been done away. This may lead to a situation where DISCOMs/Procurers may cause unwanted issue/delay at the time of COD of generating Station on premise of unavailability of adequate infrastructure/ transmission system or grid safety &amp; security.</p> <p>We request this Hon'ble Commission to constitute a Regional Coordination Committee (RCC) comprising of representative from RE Generators, Renewable Energy Implementing Agency, DISCOMs/Procurers and STU under chairmanship of SECI for each region for coordination and deliberation on</p> |

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|         |   |                  | progress/issues in implementation of generation projects and readiness of concerned DISCOMs/procurer for offtake of RE Power. |