

NATIONAL SOLAR ENERGY FEDERATION OF INDIA

Regd. No. 362 / IV of 8 May, 2013

भारतीय सौर ऊर्जा महासंघ

पंजीकरण नं 362 / IV - 8 मई, 2013

Ref no: NSEFI/CERC/2025-26/0042

Date: 03.04.2025

To,

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

Subject: Submission of Comments on Draft Central Electricity Regulatory Commission (Connectivity and General Network Access to the inter-State Transmission System) (Fourth Amendment) Regulations, 2025.

Respected Sir,

Greetings from National Solar Energy Federation of India!

National Solar Energy Federation of India (NSEFI) is a non-profit organization with the objective of advocating for renewable power development. It is an umbrella organization representing Renewable energy companies active along the whole photovoltaic value chain: project developers, manufacturers, engineering companies, financing institutions and other stakeholders. NSEFI was founded in 2013 by solar energy industry leaders with the vision to promote solar energy, NSEFI is a public trust based in New Delhi. Our members have executed Solar as well as Wind power projects across the country, under the State and Central Schemes across India.

Through this letter, we wish to submit comments on **Draft Central Electricity Regulatory Commission (Connectivity and General Network Access to the inter-State Transmission System) (Fourth Amendment) Regulations, 2025** after an extensive consultation with our members.

PFB the tabulated comments for your reference.

135-137, 1st Floor Rectangle-1, D-4, Saket District Center New Delhi-110017
Email: chairman@nsefi.in, pulipaka@nsefi.in, Call: 011-41554149, +91-7045524937
www.nsefi.in



NATIONAL SOLAR ENERGY FEDERATION OF INDIA

Regd. No. 362 / IV of 8 May, 2013

भारतीय सौर ऊर्जा महासंघ

पंजीकरण नं 362 / IV - 8 मई, 2013

Clause No.	Draft Amended Regulation	Change suggested	Rationale
Regulation (ak-i)	(ak-i) "Solar hours" means the time blocks of the day as declared by NLDC on each Saturday for the subsequent week starting from Monday to Sunday every week for each State based on anticipated solar insolation.	(ak-i) "Solar hours" means the time blocks of the day as declared by NLDC on each Saturday for the subsequent week starting from Monday to Sunday every week for each State based on anticipated solar insolation. <u>Provided inputs from existing Solar developers may be taken before declaration by NLDC.</u>	<p>In case a solar project is set up to sell power for ~10 hours daily, but later NLDC declares solar hours to 8, then such project losing 2 hours of power sale. This directly impacts revenue and cause financial loss. The framework for defining these hours must ensure that there is no generation loss for existing solar projects. Specifically, for projects whose grid access may be restricted to the declared solar hours, it is critical to establish a methodology that does not adversely impact their energy generation and financial viability.</p> <p>Hon'ble Commission is requested to consider developer inputs before finalisation of Solar/non-solar.</p> <p>Alternatively, Commission may provide a mechanism to compensate solar generators for loss of generation which it could have injected into the grid during non-solar hours and any penalty levied on generator due to fulfilment of the PPA obligations.</p> <p>Key Considerations:</p> <p>1. Variation in Insolation Levels</p> <p>The level of solar insolation varies across different locations and projects. A uniform definition of solar hours, if not carefully</p>



NATIONAL SOLAR ENERGY FEDERATION OF INDIA

Regd. No. 362 / IV of 8 May, 2013

भारतीय सौर ऊर्जा महासंघ

पंजीकरण नं 362 / IV - 8 मई, 2013

		<p>designed, may not accurately reflect the actual generation potential at different sites.</p> <p>2. Diversity in Technology</p> <p>Solar projects utilize diverse technologies—some plants are equipped with solar trackers, which enable generation even at lower insolation levels. A rigid definition of solar hours that does not account for such advancements could lead to unnecessary generation restrictions.</p> <p>3. Limitation of Fixed 8-Hour Solar Window</p> <p>It is important to highlight that the definition of Solar Hours under the Electricity (Rights of Consumers) Amendment Rules, 2023, which specifies an 8-hour duration, should not be considered as a benchmark for the declaration of solar hours by NLDC. Solar generation hours often extend beyond this fixed window, depending on geographical and seasonal variations. Restricting Solar Hours to a predefined 8-hour period could lead to avoidable generation losses.</p> <p>4. Impact on Project Viability</p> <p>Any loss of generation, even as low as 1%, directly affects the return on investment</p>
--	--	--



NATIONAL SOLAR ENERGY FEDERATION OF INDIA

Regd. No. 362 / IV of 8 May, 2013

भारतीय सौर ऊर्जा महासंघ

पंजीकरण नं 362 / IV - 8 मई, 2013

			<p>(ROI) of solar plants, which already operate on thin margins due to competitive tariffs. Therefore, restricting grid access without due consideration of site-specific factors could lead to financial strain on developers.</p> <p>Request for Consideration:</p> <ul style="list-style-type: none">• The methodology for determining solar hours should incorporate project-specific factors, such as geographical location and technology type, to prevent unnecessary curtailment.• A transparent consultative mechanism should be established, allowing stakeholders to provide input before finalizing the solar hours for different regions.• NLDC should ensure that solar hours are declared with flexibility, allowing adjustments based on real-time generation patterns and seasonal variations.• The fixed 8-hour definition under the <i>Electricity (Rights of Consumers) Amendment Rules, 2023</i> should not be applied to the declaration of solar
--	--	--	---



NATIONAL SOLAR ENERGY FEDERATION OF INDIA

Regd. No. 362 / IV of 8 May, 2013

भारतीय सौर ऊर्जा महासंघ

पंजीकरण नं 362 / IV - 8 मई, 2013

			<p>hours, as this does not reflect the actual solar generation potential at different sites.</p> <p>We request the Hon'ble Commission to provide clear guidelines on the declaration of solar hours, ensuring that the regulatory framework supports optimal utilization of solar energy without unintended generation losses</p>
Regulation 5.2 a (a)	<p>5.2 a The additional generation capacity under Regulation 5.2 of these regulations shall be subject to the following conditions:</p> <p>(a) Connectivity Bank Guarantee Conn-BG1 and Conn-BG3 under Regulation 8 of these regulations shall be furnished by the existing grantee for such additional generation capacity;</p>	<p>5.2 a The additional generation capacity under Regulation 5.2 of these regulations shall be subject to the following conditions:</p> <p>(a) Connectivity Bank Guarantee Conn-BG1 and Conn-BG3 under Regulation 8 of these regulations shall be furnished by the existing grantee for such additional generation capacity;</p>	<p>Conn-BG3 is submitted for allocation of surplus capacity in existing transmission system. As per proposed amendment, new capacity is added during solar/non-solar hours within same connectivity. Therefore, it is suggested that the requirement of additional Conn-BG3 be deleted, since no additional transmission system is being created or required for accommodating additional generation capacity which is being added within the connectivity already granted. Proposed provision leads to submission of multiple Conn-BG3 for the same system.</p>
Regulation 5.2 a (c)	<p>(c) In case additional capacity for which approval is sought under Regulation 5.2 of these regulations is REGS (with or without ESS) or ESS (except PSP), the scheduled date of commercial operation for such additional capacity shall not be later than 18 months from date of approval by the Nodal Agency;</p>	<p>(c) In case additional capacity for which approval is sought under Regulation 5.2 of these regulations is REGS (with or without ESS) or ESS (except PSP), the scheduled date of commercial operation for such additional capacity shall not be later than be 18 months from date of approval by the Nodal Agency or SCD date as mentioned in</p>	<p>In case RE developers willing to participate in the bids to utilise additional RE capacity; SCD date must be aligned as per provisions mentioned under the bid documents (including PPA). Further SCD date should also be linked with firm date of connectivity.</p>



NATIONAL SOLAR ENERGY FEDERATION OF INDIA

Regd. No. 362 / IV of 8 May, 2013

भारतीय सौर ऊर्जा महासंघ

पंजीकरण नं 362 / IV - 8 मई, 2013

		the PPA or 60 days plus firm date of connectivity whichever is later.	
Regulation 5.2 a (e)	(e) The entity which has already made an application or has been granted approval by the Nodal Agency under Regulation 5.2 of these Regulations prior to the date of effectiveness of these amendments, shall furnish the scheduled date of commercial operation for such additional capacity, within a period of two weeks from effectiveness of these regulations: Provided that, in case such additional generation capacity is REGS (with or without ESS) or ESS (other than PSP), the scheduled date of commercial operation for such additional capacity shall not be later than 18 months from the date of effectiveness of these amendments or date of approval by the Nodal Agency, whichever is later.	(e) The entity which has already made an application or has been granted approval by the Nodal Agency under Regulation 5.2 of these Regulations prior to the date of effectiveness of these amendments, shall furnish the scheduled date of commercial operation for such additional capacity, within a period of two weeks 1 month from effectiveness of these regulations: Provided that, in case such additional generation capacity is REGS (with or without ESS) or ESS (other than PSP), the scheduled date of commercial operation for such additional capacity shall not be later than 18 months from the date of effectiveness of these amendments or firm date of connectivity plus 60 days date of approval by the Nodal Agency , or SCD date as mentioned in the PPA whichever is later.	Existing Connectivity Grantee is willing to add new element within the existing connectivity granted. This new element may have a different agreement with a different offtaker. Commissioning of the new element shall be in accordance with the schedule as per the agreement signed with offtaker. Hence, deadline of the 18 months shall not be stringent. Allowing flexibility to the connectivity grantee will ensure improved utilization of the transmission system. In case RE developers willing to participate in the bids to utilise additional RE capacity; SCD date must be aligned as per provisions mentioned under the bid documents (including PPA). . Further SCD date should also be linked with firm date of connectivity.
Regulation 5.8 (d)	The Renewable Power Park Developer shall furnish the scheduled date of commercial operation of the generating station under the Park prior to grant of final connectivity.	The Renewable Power Park Developer shall furnish the scheduled date of commercial operation of the generating station under the Park prior to grant of final connectivity.	A RPPD develops a park with the objective of offering the infrastructure and connectivity to prospective RE developers for developing a RE project within the park. At the time of development of the park and securing the connectivity, the RE developer is not finalised. It would not be possible for a RPPD to furnish the SCOD of the generating station, that too prior to grant of final connectivity. It is hence suggested that this



NATIONAL SOLAR ENERGY FEDERATION OF INDIA

Regd. No. 362 / IV of 8 May, 2013

भारतीय सौर ऊर्जा महासंघ

पंजीकरण नं 362 / IV - 8 मई, 2013

			<p>proposed draft be removed.</p> <p>RPPD should be required under Regulation 11A to intimate the Nodal Agency before six months from start date of connectivity, the details of the generation station(s) coming up within the park along with their SCOD(s).</p>
<p>Regulation 5.11 (b)</p>	<p>The In principle or final grant of Connectivity intimated to an REGS (with or without ESS) based on solar source or an RHGS with a combination of solar source with another source including ESS (including cases where GNA is effective) shall be converted as an entity with restricted access (corresponding to non-solar capacity during non-solar hours) within a period of one week after the expiry of three months from date of effectiveness of this Regulation:</p> <p>Provided that while converting to restricted access, the Nodal Agency shall consider the application which such an entity may make for additional capacity under this Regulation 5.2 or Regulation 5.11(a) of these regulations, within a period of three months from effectiveness of this Regulation:</p> <p>Provided further that if the quantum of Connectivity that can be made available for non-solar hours is less than 50 MW, such RES or RHGS shall not be</p>	<p>The In principle or final grant of Connectivity intimated to an REGS (with or without ESS) based on solar source or an RHGS with a combination of solar source with another source including ESS (including cases where GNA is effective) shall be converted as an entity with restricted access (corresponding to non-solar capacity during non-solar hours) within a period of one week three months after the expiry of three months one year from date of effectiveness of this Regulation:</p> <p>Provided that while converting to restricted access, the Nodal Agency shall consider the application which such an entity may make for additional capacity under this Regulation 5.2 or Regulation 5.11(a) of these regulations, within a period of three months 1 year from effectiveness of this Regulation:</p> <p>Provided further that if the quantum of Connectivity that can be made available for non-solar hours is less than 50 MW, such RES or RHGS shall not be considered for</p>	<p>Hon'ble Commission is requested to allow at least 1 year time to developers to decide in case they wish to utilise their respective connectivity for non-solar hours.</p> <p>The addition is requested to allow for reasonable time required for deciding the additional capacity.</p> <p>May appreciate that decision on additional capacity entails significant capex that requires carrying out detailed activities such as, but not limited to:</p> <ul style="list-style-type: none"> ● resource assessment ● energy modelling ● modification in existing scheme ● techno-commercial analysis ● assessment on land availability as well as seeking approval from internal company boards and investors



NATIONAL SOLAR ENERGY FEDERATION OF INDIA

Regd. No. 362 / IV of 8 May, 2013

भारतीय सौर ऊर्जा महासंघ

पंजीकरण नं 362 / IV - 8 मई, 2013

	considered for conversion as an entity with restricted access.	conversion as an entity with restricted access.	The above activities require a minimum 1 year period and accordingly, such period is requested to decide in applying for additional capacity by existing Connectivity grantee.
Regulation 11A	<p>A new Clause (6) shall be added after Clause (5) of Regulation 11A of the Principal Regulations, as under:</p> <p>“(6) Any changes in shareholding pattern of the Connectivity grantee upto CoD of the project shall be subject to the following:</p> <p>(a) The promoters of the Connectivity grantee shall not cede control (where control shall mean the ownership, directly or indirectly, of more than 50% of the voting shares of such Company or right to appoint majority Directors) of the Company.</p> <p>(b) In case the Connectivity grantee has multiple promoters (but none of the shareholders have more than 50% of voting rights and paid-up share capital), the shareholding pattern shall be maintained and cannot be changed upto COD of the project.</p>	<p>A new Clause (6) shall be added after Clause (5) of Regulation 11A of the Principal Regulations, as under:</p> <p>“(6) Any changes in shareholding pattern of the Connectivity grantee (including in principal grant) upto CoD of the project shall be subject to the following:</p> <p>(a) The promoters of the Connectivity grantee (including in principal grant) shall not cede control (where control shall mean the ownership, directly or indirectly (through multiple subsidiaries structured in a parent-child hierarchy), of more than 50% of the voting shares of such Company or right to appoint majority Directors) of the Company.</p> <p>(b) In case the Connectivity grantee (including in principle grant) has multiple promoters (but none of the shareholders have more than 50% of voting rights and paid-up share capital), the shareholding pattern shall be maintained and cannot be changed upto COD of the project.</p>	<p>The addition of in-principle grant has been suggested to disallow for trading of connectivity in the period from in-principle grant to final grant, in view of uncontrollable factors that can prolong the final grant of connectivity. Additionally, suggest putting increased controls such that shareholding of ultimate promoters shall remain greater than 51% or be maintained same as of application, as the case may be in subclause (b) / (c). This shall address the apprehensions of multi-layered entities being formed where immediate promoter may remain the same, however ultimate promoter may change hands.</p> <p>Eg: An Ultimate Promoter A may form subsidiary B under which a subsidiary C may be formed to seek apply connectivity. Promoter A may then cede control of subsidiary B to Promoter D, while not disturbing shareholding pattern of subsidiary C since it is controlled by Subsidiary B.</p> <p>Above should also be controlled.</p>



NATIONAL SOLAR ENERGY FEDERATION OF INDIA

Regd. No. 362 / IV of 8 May, 2013

भारतीय सौर ऊर्जा महासंघ

पंजीकरण नं 362 / IV - 8 मई, 2013

	<p>(c) Any change in shareholding pattern other than covered in sub-clauses (a) and (b) shall require prior approval of the nodal agency and shall be filed for information of commission within 45 days of such approval. Nodal Agency may allow such application considering the practical requirement for change in shareholding.</p> <p>(d) In case any change in control or shareholding pattern of the Connectivity grantee is carried out in contravention to sub-clauses (a) to (c) of this Clause, the Connectivity shall be revoked, Bank Guarantee submitted under subclause (c) of Clause (vii) or sub-clause (c) of Clause (xi) of Regulation 5.8 of these regulations shall be encashed, 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.</p> <p>Annexure-IV Modalities of Restricted Access for Solar Hours and Non-Solar Hours of the day-</p> <p>(1) Grant of Connectivity with restricted access to an entity covered under Regulation 5.11 (a) of these regulations:</p>	<p>Provided, any change in shareholding within same group of companies shall not amount to change in shareholding under these regulations</p> <p>Provided further, the provisions of this regulation (Regulation 11 A (6) shall apply only to those applications for connectivity which have been made after the date of effectiveness of these regulations.</p> <p>(c) Any change in shareholding pattern other than covered in sub-clauses (a) and (b) shall be required to provide an intimation to the nodal agency by no later than 30 days from the date of such change and shall be filed for information of commission within 45 days of such intimation. Nodal Agency may allow such application considering the practical requirement for change in shareholding.</p> <p>(d) In case any change in control or shareholding pattern of the Connectivity grantee is carried out in contravention to sub-clauses (a) to (c) of this Clause, the Connectivity shall be revoked, Bank Guarantee submitted under subclause (c) of Clause (vii) or sub-clause (c) of Clause (xi) of Regulation 5.8 of these regulations shall</p>	<p>Bidding guidelines issued by Ministry of Power for tie-up of power from renewable energy projects allow Successful Bidder to sign the power purchase agreements with the SPV. Bidders bid from company where all necessary technical and financial credentials are available. Subsequently PPA is signed with an SPV of Bidding Company. Also, to arrange necessary funds for execution of project by the SPV, credentials of group companies are also utilised. Hon'ble Commission has introduced shareholding restriction to discourage trading of connectivity, however it is requested to consider and allow change in shareholding within the group companies with an intimation to CTUIL and Discoms/Nodal agency, as applicable.</p> <p>It is possible that there may be change in shareholding of connectivity grantee within the same group company having the same ultimate parent company with an objective of internal restructuring etc, or it is a public listed company, then there should not be any restrictions as proposed in the draft given that the same ultimate parent company still holds the controlling shareholding of grantee either directly or indirectly which shows that such group is serious player and is not engaging in trading of connectivity. This amendment seeks to clarify that changes in the</p>
--	--	--	---



NATIONAL SOLAR ENERGY FEDERATION OF INDIA

Regd. No. 362 / IV of 8 May, 2013

भारतीय सौर ऊर्जा महासंघ

पंजीकरण नं 362 / IV - 8 मई, 2013

	<p>.....</p> <p>(2) Connectivity for an entity covered under Regulation 5.11 (b) and 5.11(c) of these Regulations:</p> <p>(6) NLDC shall notify the Solar hours and Non-solar hours beginning from date of notification of these amendments on a weekly basis for each State. NLDC may revise such hours during the week in case of unforeseen contingency including weather changes.</p>	<p>be encashed, 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.</p> <p><i>Provided that any change in shareholding within a listed entity /corporate group, and where such companies are controlled by the same parent or ultimate parent company, shall not be subject to any restrictions or limitations, of any kind, under this regulation.</i></p> <p>Annexure-IV Modalities of Restricted Access for Solar Hours and Non-Solar Hours of the day-</p> <p>.</p> <p>....</p> <p>.....</p> <p><i>(7) Where the Parent company has obtained additional connectivity under Regulation 5.2 or 5.11, it may execute such additional generation capacity through itself or its subsidiary which may be same or different as of subsidiary executing the solar/wind project under regulation 5.11 (b) or 5.11 (c).</i></p>	<p>shareholding structure within the same corporate group (i.e., companies under the same ultimate parent and same promoter group) shall not be treated as a breach of any regulatory conditions. The objective is to facilitate internal corporate restructuring or changes in ownership without triggering unnecessary restrictions or compliance burdens, provided the ultimate control of the parent company remains unchanged.</p> <p>We therefore request clarity on the proposed amendment so as to avoid future litigation and a clear direction to CTU.</p> <p>The proposed amendment is to provide greater operational flexibility to the parent company in executing generation projects. The ability to execute additional generation through either itself or any of its subsidiaries, whether the same or different from the entity executing the solar or wind project, is essential for fostering efficient project development. It allows the parent company to adapt to changing market conditions, optimize resource allocation, and ensure the timely and cost-effective implementation of projects.</p> <p>Additionally, in some cases, the parent company may wish to utilize a different</p>
--	---	--	---



NATIONAL SOLAR ENERGY FEDERATION OF INDIA

Regd. No. 362 / IV of 8 May, 2013

भारतीय सौर ऊर्जा महासंघ

पंजीकरण नं 362 / IV - 8 मई, 2013

		<p>subsidiary, which may possess more specialized expertise or operational capacity to handle the specific generation project. Allowing this flexibility will not only align with common business practices but also enhance the ability of developers to deploy renewable energy projects more effectively, which ultimately supports the overarching goal of expanding renewable energy capacity in the country.</p> <p>This amendment aims to provide clarity and consistency regarding the definition and management of Solar and Non-Solar Hours. By requiring NLDC to notify these hours on a weekly basis, stakeholders can anticipate and plan for the availability of solar generation more effectively. Furthermore, the provision allowing revisions during unforeseen contingencies, such as weather changes, ensures that the system remains adaptable to real-time conditions.</p> <p>The amendment also mandates that NLDC establishes a transparent procedure for determining Solar and Non-Solar Hours. Opening this procedure to consultation and comments from stakeholders will ensure that the methodology is robust, fair, and reflects the input of all affected parties, thus fostering collaboration and reducing potential conflicts</p>
--	--	--



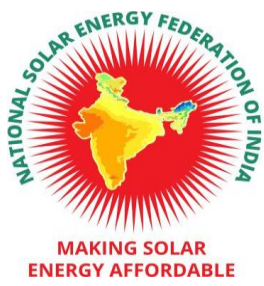
NATIONAL SOLAR ENERGY FEDERATION OF INDIA

Regd. No. 362 / IV of 8 May, 2013

भारतीय सौर ऊर्जा महासंघ

पंजीकरण नं 362 / IV - 8 मई, 2013

			in the future.
Regulation 24.6 (1)	<p>(d) Connectivity granted to a Renewable Power Park developer shall be revoked for the corresponding capacity, if the Connectivity and corresponding GNA has been made effective in terms of Clause (a) of Regulation 22.4 of these regulations and generating station(s) within the Power Park fails to achieve COD on or before,</p> <p>(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.</p> <p>(ii) six months after the scheduled date of commercial operation for generating station(s) being set up without LOA or PPA.</p>	<p>(d) Connectivity granted to a Renewable Power Park developer shall be revoked for the corresponding capacity, subject to modification in schedule allowed in sub-clause (d) of regulation 5.8(vii), if the Connectivity and corresponding GNA has been made effective in terms of Clause (a) of Regulation 22.4 of these regulations and Renewable Power Park Developer has not engaged with generating station(s) to come up within the park and the generating station(s) within the Power Park fails to achieve COD on or before,</p> <p>(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.</p> <p>(ii) six months after the scheduled date of commercial operation for generating station(s) being set up without LOA or PPA.</p>	<p>The addition is made to incorporate the suggested addition in S.No. 2 above, such that revocation action considers the modified schedule furnished by the RPPD.</p> <p>It is suggested that connectivity granted to a RPPD may be revoked six months after the start date of connectivity if RPPD fails to engage with generating station(s) to come up within its park. In the event, RPPD engages with generating station(s) to come up within its park, information of such engagement shall be intimated to the Nodal Agency along with the SCOD(s) of the stations and revocation of connectivity be governed as per the SCOD(s) of the generating station(s).</p>



NATIONAL SOLAR ENERGY FEDERATION OF INDIA

Regd. No. 362 / IV of 8 May, 2013

भारतीय सौर ऊर्जा महासंघ

पंजीकरण नं 362 / IV - 8 मई, 2013

With Best Regards,



Subrahmanyam Pulipaka
Chief Executive Officer
National Solar Energy Federation of India

Copy to:

1. **Shilpa Agarwal, Joint Chief, Central Electricity Regulatory Commission 6th, 7th & 8th Floors, Tower B, World Trade Centre, Nauroji Nagar, New Delhi- 110029**