

===== Forwarded message =====

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Date: Thu, 03 Apr 2025 19:02:36 +0530

Subject: Zelestra's Comments on draft CGNA 4th Amendment Regulation

===== Forwarded message =====

Dear Mam/Sir,

Greetings from Zelestra!

In reference to public notice dated 3.03.2025 where in comments from Stakeholders are invited on draft Central Electricity Regulatory Commission (Connectivity and General Network Access to the inter-State Transmission System) (Fourth Amendment) Regulations, 2025 by 3.4.2025.

In view of the above, please find the enclosed comments for your kind consideration.

**Sonika Hayaran**

Regulatory Manager

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3-4-2025\_Zelestras Comments in CGNA ... .pdf

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**Zelestra's Comments in Central Electricity Regulatory Commission (Connectivity and General Network Access to the inter-State Transmission System) (Fourth Amendment) Regulations, 2024**

Clause No.	Draft Amended Regulation	Change suggested	Rationale
<b>Regulation (ak-i)</b>	(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>	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. Hon'ble Commission is requested to consider developer inputs before finalisation of Solar/non-solar. 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.
<b>Regulation 5.2 a (a)</b>	5.2 a The additional generation capacity under Regulation 5.2 of these regulations shall be subject to the following conditions:  (a) Connectivity Bank Guarantee Conn-BG1 and Conn-BG3 under Regulation 8 of these regulations shall be furnished by the existing	5.2 a The additional generation capacity under Regulation 5.2 of these regulations shall be subject to the following conditions:  (a) Connectivity Bank Guarantee Conn-BG1 <del>and Conn-BG3</del> under Regulation 8 of these regulations shall be furnished by the existing	Conn-BG3 is submitted for allocation of surplus capacity in existing transmission system. Requirement of additional Con BG-3 may be deleted for the existing connectivity grantee who wants to utilise their own connectivity for Non-Solar hours.

	grantee for such additional generation capacity;	grantee for such additional generation capacity;	
<b>Regulation 5.2 a (c)</b>	(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;	(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 <del>not be later than</del> be 18 months from date of approval by the Nodal Agency <b>or SCD date as mentioned in the PPA or 60 days plus firm date of connectivity whichever is later.</b>	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.
<b>Regulation 5.2 a (e)</b>	(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	(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 <del>two weeks</del> <b>1 month</b> 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	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

	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.	effectiveness of these amendments <del>or firm date of connectivity plus 60 days date of approval by the Nodal Agency, or SCD date as mentioned in the PPA</del> whichever is later.	(including PPA). Further SCD date should also be linked with firm date of connectivity.
<b>Regulation 5.11 (b)</b>	<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>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 <del>one week</del> <b>three month</b> after the expiry of <del>three months</del> <b>1 year</b> 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 <del>three months</del> <b>1 year</b> from effectiveness of this Regulation:</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>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 conversion as an entity with restricted access.</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 conversion as an entity with restricted access.</p>	
<p><b>Regulation 11 A (6)</b></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>(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><b>Provided, any change in shareholding within same group of companies may not be treated as change in Shareholding.</b></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>