

Comments and Suggestions on the Draft CERC(Connectivity and General Network Access) (Fourth Amendments) Regulations, 2025.

1. Timelines for additional Capacity Sought under Regulation 5.2

Amendment

- 5.2 (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 **24 months {if capacity <1000MW} or 30 months {if capacity >1000MW}** from date of approval by the Nodal Agency. **In case such additional capacity is owned by any other entity. The charges for sharing the dedicated transmission system including the sub pooling station shall be either mutually agreed or as provided in para Annexure IV. (1) (e) to (g) to this regulation.**
- 5.2(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 **24 months (if capacity <1000MW)/ 30 months (if capacity >1000MW)** from the date of effectiveness of these amendments or date of approval by the Nodal Agency, whichever is later.

Rationale

Extended COD Timeline (Reg. 5.2 c & e):

- Proposes increasing the COD limit for REGS/ESS projects to **24 months (<1000MW)** and **30 months (>1000MW)**.
- Aligns with MNRE's February 2025 guidelines and reflects practical project development timelines.

Cost Sharing for Third-Party Capacity (Reg. 5.2):

- Supports use of connectivity by third-party-owned capacity behind the same grant.
- Recommends fallback cost-sharing via Annexure IV if mutual agreement fails, enabling better infrastructure utilization.

2. Proposed Amendment to Clause 15.3

Amendment

- “15.3 Any entity which acquires or holds 51% or more shareholding of the company or its subsidiary owning the REGS **or additional generation capacity or ESS owned by an entity other than the connectivity grantee being installed under regulation 5.2 & 5.11 of this regulation** , may, after COD of full capacity or such split part in terms of Regulation 15.2 of these regulations, apply to the Nodal Agency for transfer of Connectivity for the full capacity or the split capacity, as the case may be. The Nodal Agency shall issue a revised grant of Connectivity on submission of applicable Conn-BG2 and Conn-BG3 by such entity. The original grantee may substitute its Conn-BG2 and Conn-BG3 with revised Conn-BG2 and Conn-BG3, to be intimated by CTU. On the issue of a revised grant of Connectivity, such entity shall enter into a fresh Connectivity Agreement and be responsible for compliance with all applicable regulations:”

Rationale

Connectivity Transfer to Non-Subsidiary Entities (Reg. 15.3):

- Seeks explicit inclusion of **second-party owned capacity under Reg. 5.2** for connectivity transfer.
- Current clause covers only parent-subsubsidiary transfers, leaving gaps for multi-party ownership.

3. Proposed Amendment to seek Generators under RE Park 5.8 (d)

Amendment

- 5.8 (d) The Renewable Power Park Developer shall furnish the scheduled date of commercial operation of the generating station under the park **along with details of the generating station, including its capacity,** prior to grant of final connectivity.”

Rationale

Detailed Generator Info for Power Parks (Reg. 5.8 d):

- Park developers should furnish COD dates and capacity details of each generator.
- Enhances regulatory transparency and planning accuracy.

4. Proposed Amendment extend timelines under 5.11 (b)

(b) The In-principle or final grant of Connectivity intimated to an REGS (with or without ESS) based on a solar source or an RHGS with a combination of a 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 **Six months** from the date of effectiveness of this Regulation.

The incumbent connectivity grantee shall have first priority over the connectivity during non-solar hours.

Rationale

- Requests extension from **3 months to 6 months** for converting solar projects to restricted access.
 - Around 45 to 50 GW RE Projects (predominantly solar 35-40 GW) are ISTS connected
 - Substantial work at CTUIL end to convert 35-40 GW connectivity to restricted access
 - Earlier 8-9 months time taken by CTU post GNA effectiveness on 05.04.2023 for GNA transition intimation
- Request incumbent connectivity grantee to have first priority over connectivity during non solar hours due to:
 - Best placed to understand the site condition for additional RE/BESS
 - Demand from BESS yet untested due to high cost and price sensitivity of Indian market. FC, investment approval etc would be time taking. Incumbent can most expeditiously meet the latter once power tied up.

5. Proposed Amendment under 11A (6)

11A(6) Any changes in shareholding pattern of the Connectivity grantee up to CoD of the project shall be subject to the following:

- (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.
- (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.
- (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. **CTUIL will come out within 60 days of notification of this regulation a detailed procedure post public consultation for the cases that shall be allowed for change in shareholding.**
- (e) In case any change in control or shareholding pattern of the Connectivity grantee is carried out in contravention to sub-clauses (a) to (d) 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.

Rationale

Flexibility in Shareholding Changes (Reg. 11A(6)):

- Captive Generators see rise in equity by captive user as project progresses and money is spent.
- As a business practice, the parent company or ultimate parent company or project companies/SPVs use debt instruments like CCD/NCD/OCDs and convert them to equity during construction of project by connectivity grantee.

6. Proposed Amendment under 24.6 (d)

24.6 “(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,

(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.

Provided that if such generating station(s) has achieved full financial closure, spent substantial money in project development and appointed EPC contractor, the Nodal Agency on an application made by the generating station(s) would grant extension of upto 6 months to achieve COD, failing which the generator would have to approach CERC.

Rationale

COD Delay Relief in Renewable Parks (Reg. 24.6(d)):

- Suggests allowing **additional 6-month extension** by CTU for projects with financial closure & EPC contracts.
- Offers buffer for FM events and large project delays before approaching CERC.

Thank You