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Date: Wed, 21 Oct 2026 22:48:37 +0530
Subject: Stakeholder Comments on the Draft Central Electricity Regulatory Commission (Indian Electricity Grid Code) (Second Amendment) Regulations, 2026
========== Forwarded message ==========

Dear Sir,

In terms of the Public Notice dated 21.09.2026, please find attached the comments/suggestions on behalf of Mr. Amit Kapur, on the Draft Central Electricity Regulatory Commission (Indian Electricity Grid Code) (Second Amendment) Regulations, 2026, for the kind consideration of this Hon'ble Commission.

Regards,
Shyenika Upadhyay

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COMMENTS AND SUGGESTIONS ON THE DRAFT CENTRAL ELECTRICITY REGULATORY COMMISSION (INDIAN ELECTRICITY GRID CODE) (SECOND AMENDMENT) REGULATIONS, 2026.

I. INTRODUCTION

1. These comments are being submitted in response to this Hon'ble Commission's Public Notice dated 21.09.2026, inviting stakeholder comments on the Draft Central Electricity Regulatory Commission (Indian Electricity Grid Code) (Second Amendment) Regulations, 2026 ("**Draft Amendment**").

2. The Draft Amendment proposes facilitative changes to the Central Electricity Regulatory Commission (Indian Electricity Grid Code) Regulations, 2023 ("**Principal Regulations**"/"**Grid Code**") focused on varied dimensions of increased participation of renewable sources of energy – solar, wind, battery storage and pumped storage – in the grid. The proposed amendments cover aspects like new definitions, extension of the period for inter-change of power, trial run and Commercial Operation Date ("**COD**") conditions for renewable, storage and pumped storage assets, scheduling of infirm power, Unit Shut Down ("**USD**") and Security Constrained Unit Commitment ("**SCUC**") timelines, congestion charges, regulation of access to defaulting entities, scheduling of free power share of State Governments, alternate source scheduling, and Real Time Market ("**RTM**") gate closure timelines.

3. These comments are not submitted from the standpoint of any one class of stakeholder. They test the Draft Amendment against the objectives of the Principal Regulations and of Section 79(1)(h) of the Electricity Act, 2003 ("**Act**"), namely, grid security, non-discriminatory access and efficient utilisation of the transmission system, and against three sector-level considerations: (a) coherence of the Grid Code with the other regulations and procedures that

govern the grid; (b) the regulatory certainty required to attract investment in generation, storage and transmission; and (c) the connectivity and evacuation constraints presently facing the inter-State Transmission System ("**ISTS**"). Part II sets out the overarching submissions on these three considerations. Part III addresses specific provisions of the Draft Amendment.

II. OVERARCHING SUBMISSIONS

Re. Coherence of the Grid Code with the wider regulatory framework governing the grid.

4. Operation of, and access to, the ISTS is governed by several regulations of this Hon'ble Commission in addition to the Grid Code. These include the CERC (Connectivity and General Network Access to the inter-State Transmission System) Regulations, 2022 ("**GNA Regulations**"), the CERC (Deviation Settlement Mechanism and Related Matters) Regulations, 2024 ("**DSM Regulations**"), the CERC (Ancillary Services) Regulations, 2022, the CERC (Sharing of Inter-State Transmission Charges and Losses) Regulations, 2020 ("**Sharing Regulations**"), the CERC (Fees and Charges of Regional Load Despatch Centre and other related matters) Regulations, 2024 ("**RLDC Fees Regulations**") and the CERC (Power Market) Regulations, 2021. They are supplemented by the technical standards issued by the Central Electricity Authority ("**CEA**"), detailed procedures framed by the National Load Despatch Centre ("**NLDC**") and suo motu orders of this Hon'ble Commission. Each instrument is amended on its own cycle. A single activity, such as commissioning a project or scheduling power from it, is governed by several of them at once.

5. The Draft Amendment takes a step towards consolidation by bringing the congestion charge framework into the Grid Code and repealing the CERC (Measures to relieve congestion in real time operation) Regulations, 2009 ("**Congestion Regulations**"). That approach is correct and should be carried further. However, the Draft Amendment adds to the existing overlap in certain respects:

(a) Proposed Regulation 45(16) prescribes regulation of short-term contracts under GNA two months after regulation of T-GNA, and a 5% monthly reduction in other schedules. Regulation 33 of the RLDC Fees Regulations, on which the Explanatory Memorandum states the provision is modelled, prescribes one month and 10%. The Electricity (Late Payment Surcharge and Related Matters) Rules, 2022 contain a further regime for regulation of access. A defaulting entity, and the Regional Load Despatch Centre ("**RLDC**") enforcing against it, will face different triggers and different rates of curtailment for what is in substance one remedy.

(b) The rate of congestion charge (Regulation 30A(2)), the detailed procedure for its levy (Regulation 30A(8)), the reserve estimation methodology (Regulation 30(11)(k)) and the accounting and settlement of units decommitted through SCUC (Annexure-9, Paragraph 5) are all left to subsequent orders or NLDC procedures. Provisions that create or limit a financial liability belong in the regulations, which are made after previous publication under Section 178(3) of the Act. Procedures should be confined to operational modalities.

(c) Table 4 under Regulation 30(10)(h) prescribes the primary response of pumped storage plants and Energy Storage Systems ("**ESS**") "as per CEA Technical Standards for Connectivity". The Explanatory Memorandum itself records that the CEA published draft replacement standards on 31.07.2026. The obligation imposed by the Grid Code will therefore change when those standards are notified, without any amendment to the Grid Code.

(d) Further, Bureau of Indian Standards ("**BIS**") standards and international standards (IEC, IEEE) referenced in technical codes are periodically updated. This Hon'ble Commission may consider specifying that wherever the Grid Code refers to an Indian or international standard, reference is being made to such standards "*as amended or replaced from time to time*",

so that the obligation automatically tracks the current version of the referenced standard without requiring a further amendment to the Grid Code merely to update the cross-reference. Further, when a referenced standard is revised, NLDC may publish a notice identifying the provisions affected and the effective date from which the revised standard applies for the purposes of the Grid Code.

6. This Hon'ble Commission may consider: (i) recording, in the Statement of Reasons, the effect of each amendment on the regulations listed above, and notifying consequential amendments to those regulations together with the Final Amendment; (ii) adopting a single set of triggers and curtailment rates for regulation of access across the Grid Code and the RLDC Fees Regulations; (iii) placing the principles governing every charge and compensation in the Grid Code itself; and (iv) directing NLDC to publish and maintain a consolidated compilation of the Grid Code as amended, together with all detailed procedures in force under it.

Re. Regulatory certainty and investment.

7. NLDC's letter dated 02.03.2026, extracted in the Explanatory Memorandum, refers to the target of 500 GW of non-fossil fuel capacity by 2030 and to the CEA's projection of 41 GW of battery storage and 19 GW of pumped storage by that year. Capacity addition on that scale, and the transmission system needed to evacuate it, depends on private capital and long-tenor debt. Investors and lenders assess a project on the predictability of its commissioning date, the date from which it earns revenue, and its exposure to charges it cannot control. The Grid Code determines all three. The cost of uncertainty on any of them is built into tariffs discovered through competitive bidding and is ultimately borne by consumers.

8. Three features of the Draft Amendment bear on this:

(a) Unquantified liabilities. The congestion charge is payable in addition to deviation charges, at a rate to be specified by a future order. An entity

cannot assess or provide for an exposure of which neither the rate nor the method of determination is known.

(b) New obligations for projects already bid out or financed. The minimum capacity of 50 MW for trial run of standalone ESS, enablement of automatic operation from the load despatch centre for ESS of 25 MW and above, primary response obligations for Pumped Storage Plants ("**PSP**") and ESS, and the delinking of COD under the Grid Code from the contract will, as drafted, apply from the date of publication in the Official Gazette to projects whose bids and financing assumed the existing framework. The Final Amendment should specify a transition date for each new technical obligation and state how it applies to projects already connected or under commissioning.

(c) Frequency of change. The Principal Regulations came into force on 01.10.2023 and were amended in 2024. Their operation was modified by the suo motu Orders dated 22.12.2024 in Petition No. 11/SM/2024 and 05.10.2025 in Petition No. 9/SM/2024. The timelines for USD fixed by the Order dated 05.10.2025 are now proposed to be revised within a year of that Order. Operational rules need correction as experience builds, but correction on a predictable review cycle, with lead time before each change takes effect, would give stakeholders the certainty that ad hoc revision does not.

Re. Connectivity and transmission adequacy.

9. Several of the proposed amendments respond to a single underlying problem: generation capacity is being commissioned ahead of the transmission system required to evacuate it. The Explanatory Memorandum acknowledges, at paragraph 8.3, that in a number of cases the transmission infrastructure required for evacuation "is delayed substantially and even beyond a period of one year", and, at paragraph 20.5, that curtailment of renewable generation continues in certain cases due to grid constraints. The extension of the period for inter-change

of power under Regulation 19, the deferred demonstration of rated capacity under Regulation 22(3)(j), the scheduling of infirm power under Regulation 25A and the congestion charge under Regulation 30A each deal with a consequence of that mismatch.

10. The Draft Amendment refines operational and scheduling provisions, but does not address grid integration as a system-level objective. Integration is not achieved by synchronizing the network alone, but requires regulatory, planning and commercial layers to operate as one. At present, a multitude of instruments govern grid access and operations, including the GNA Regulations, the Grid Code, the Sharing Regulations, the DSM Regulations, and the CEA Technical Standards. These instruments are framed and amended in isolation, which produces conflicting overlaps rather than a coherent code, which results in an unalignment of generation and transmission commissioning schedules.

11. Curtailment and transmission unavailability are allocated without principled distinction and scheduling, connectivity and settlement obligations remain isolated. Each component adds to the overall system cost, which is ultimately borne by the consumer. Considering that non-fossil fuel capacity now constitutes over half the total installed capacity and demand is set to rise sharply, the Grid Code is the appropriate instrument to anchor grid integration. In view of the same, this Hon'ble Commission may consider:

(a) Articulating grid integration as an express objective of the Grid Code;

(b) Mandating that GNA milestones and transmission commissioning schedules be read together; and

(c) Set out a reconciliation mechanism so that any amendment to the Grid Code is tested for consistency with allied regulations prior to notification.

12. The Grid Code may not by itself be able to resolve the generation-transmission mismatch. However, it can deal with its consequences consistently. To this end, this Hon'ble Commission may consider the following:

(a) A uniform rule on timelines. Wherever a timeline under the Grid Code cannot be met because the associated transmission system is not available or GNA has not become effective, the timeline should run from the date of such availability. Proposed Regulation 22(3)(j) adopts this rule. Regulation 19(3)(a) does not.

(b) A single certification. Whether a transmission constraint exists, and for what period, should be certified once by the Central Transmission Utility of India Limited ("**CTUIL**") or the concerned RLDC, and that certificate should be accepted for all purposes under the Grid Code, the GNA Regulations and the Sharing Regulations.

(c) Use of capacity that is ready. Where a station has completed its trial run but its GNA is not yet effective, the framework should facilitate scheduling of its power through T-GNA and the power exchanges to the extent of available margins. Idle capacity deprives distribution licensees and consumers of low-cost power that has already been built.

(d) Publication of data. NLDC and the RLDCs should publish, at regular intervals, corridor-wise data on congestion events, curtailment, extensions granted under Regulation 19(3) and demonstrations deferred under Regulation 22(3)(j). Recurrent congestion on a corridor is a planning signal. The data should be placed before CTUIL and the CEA for the purposes of transmission planning.

(e) Supplementary sequencing and prioritisation framework where transmission constraints exist. Where the available transmission margin is insufficient for all connectivity/GNA applicants in a region or corridor, this Hon'ble Commission may consider whether a supplementary framework may be notified, containing objective sequencing principles, such as the date of application, state of project readiness, or priority categories (such as storage-backed, or round-the-clock capacity reducing peak

requirements). This would ensure that scarce transmission capacity is allocated transparently, in a manner aligned with consumer requirements.

(f) Periodic review mechanism tied to capacity targets. Considering the rapidly changing regulatory landscape and the integration of new technologies elaborated upon later in the present submissions, this Hon'ble Commission may consider providing for a periodic review of the Grid Code's connectivity, scheduling and congestion provisions, specifically against the pace of actual capacity addition and transmission commissioning, to ensure evolution of the Grid in step with the sector, preventing any further large-scale capacity stranding or curtailment.

III. SUBMISSIONS ON SPECIFIC PROVISIONS

Re. Proposed modifications to the extension mechanism for inter-change of power under Reg. 19(3)(a).

13. The Draft Amendment requires a renewable energy generating station ("**REGS**") or ESS (other than Hydro PSP ESS) seeking extension of the period for inter-change of power to make its request at least 10 days prior to the requested start date of inter-change of power, and to inform the concerned RLDC in advance of the detailed reasons for delay together with a likely date for seeking such extension.

14. Injection of infirm power outside the scheduling framework for prolonged periods is a legitimate grid discipline concern, and advance intimation gives the RLDC visibility that it presently lacks. The provision requires two corrections. First, sub-clause (i) refers to "injection of infirm power" while the proviso and sub-clause (ii) refer to "inter-change of power", and the 10-day period in sub-clause (ii) runs from the "requested start date of interchange of power" whereas the existing proviso requires the application to be made 10 days before completion of the stipulated period. One expression and one reference date should be adopted. Second, commissioning delays (such as equipment issues identified during pre-commissioning checks or non-readiness of evacuation

infrastructure) often become known less than 10 days before the stipulated period lapses. The RLDC should be empowered to entertain a request made at shorter notice, for reasons to be recorded in writing.

15. Regulation 19(3)(a)(iii) limits the extensions that the RLDC may allow to a cumulative period of three months. Where the delay is attributable to non-availability of the associated transmission system, that limit either leaves completed capacity idle or sends each case to this Hon'ble Commission for individual relief under Regulation 19(3). Neither outcome serves the grid, the buyer or the project. This Hon'ble Commission may consider providing that, where CTUIL or the RLDC certifies that the delay is on account of non-availability of the transmission system, the RLDC may extend the period until such system becomes available, subject to the entity complying with all instructions of the RLDC, including curtailment for grid security. All other cases would continue to be dealt with by this Hon'ble Commission under Regulation 19(3).

16. Regulation 19(3)(a)(iv) provides that the entity shall keep the RLDC informed on a monthly basis of the activities on account of which it has sought extension. This Hon'ble Commission may consider directing NLDC to prescribe a common format for such monthly reports across all RLDCs, and directing the RLDCs to publish the list of extensions granted, so that the mechanism is applied uniformly and transparently.

Re. Instalment and capacity limits for trial runs under Regulation 22(3)(a).

17. The Draft Amendment permits trial run in instalments of a minimum 50 MW each, without limit on the number of instalments, for solar projects and standalone ESS having a capacity of 250 MW or more.

18. The Explanatory Memorandum clarifies, at paragraph 2(a), that a project of up to 250 MW may complete its trial run in a maximum of five instalments. That clarification should be carried into the text of the regulation. Further, a fixed cap for projects below 250 MW will lead to requests for relaxation before this

Hon'ble Commission whenever phased commissioning requires one more instalment than the cap permits. This Hon'ble Commission may consider retaining the capacity thresholds while empowering the RLDC to permit additional instalments in such cases, for reasons to be recorded in writing.

Re. Relief for delay in demonstration of rated capacity due to transmission constraints under Regulation 22(3)(j).

19. The Draft Amendment inserts a new sub-clause permitting a project unable to demonstrate rated capacity within one year of COD on account of transmission constraints, to instead demonstrate rated capacity within one year of the effectiveness of GNA or one year from COD, whichever is later.

20. The provision correctly ensures that the consequence of delay in transmission does not fall on a project that is otherwise ready, and is consistent with the approach suggested in Part II above. It does not, however, specify the authority that will determine whether the failure to demonstrate rated capacity is attributable to a "transmission constraint". This Hon'ble Commission may consider specifying that CTUIL or the concerned RLDC shall certify the existence and duration of the transmission constraint. This would prevent disputes at the stage of COD certification and keep such cases out of adjudication.

21. The certification should be based on objective records, namely, curtailment instructions, corridor unavailability and the commissioning status of the associated transmission elements, and should be issued within a prescribed period from the date of request.

22. Two further clarifications are necessary. First, where GNA becomes effective in part, the period of one year should run, for the balance capacity, from the date on which GNA for that capacity becomes effective. Second, sub-clause (j) does not state the consequence of failure to demonstrate rated capacity within the extended period. It should provide, as sub-clauses (b) and (d) do, that the capacity shall then be de-rated in terms of sub-clause (h).

Re. Right of first refusal to the contractual buyer under Regulation 25A.

23. Regulation 25A provides that where supply from a generating station or ESS is not subject to a contractual provision governing sale of power prior to COD, the power must first be offered to existing buyers, either directly or through the Renewable Energy Implementation Agency ("**REIA**")/intermediary procurer, with at least 7 days' notice. If the buyer or REIA/intermediary procurer fails to respond within such period, the offer will be deemed refused, freeing the generating company to sell the power to a third party.

24. Deemed refusal on non-response has commercial consequences for the buyer and, in the case of a distribution licensee, for its consumers. To avoid disputes over receipt of notice, this Hon'ble Commission may consider prescribing the mode of notice, for instance, an e-mail to a designated nodal officer of the buyer and the REIA or intermediary procurer, with a copy to the concerned RLDC.

25. Further, this Hon'ble Commission may require the generating station or ESS to retain proof of dispatch and delivery of the 7 days' notice, and to furnish the same to the RLDC when it seeks scheduling of such power to a third party.

26. Two drafting points arise. First, Regulation 25A applies to generating stations and ESS, but sub-clauses (3)(b) and (3)(c) refer only to the "generating station". The words "or ESS" should be added. Second, infirm power has so far been treated as unscheduled injection. Now that it is to be scheduled, the DSM Regulations should be amended concurrently to provide for the treatment of deviation from such schedules.

Re. Declaration of COD for the purposes of the Grid Code only under Regulation 27(1)(e)(i).

27. The Draft Amendment provides that in cases where the contract imposes conditions additional to those specified under the Grid Code, supply under the contract would commence only once such additional conditions are met. Meanwhile, COD under the Grid Code would be declared after the station successfully completes its trial run.

28. The delinking is sound from the standpoint of the grid. A station that has completed its trial run should be scheduled and subject to grid discipline, and should not continue to inject infirm power because another component of a hybrid project is incomplete. Two consequences of the resulting dual COD need to be addressed. First, contracts link COD to the commencement of tariff, liquidated damages and the term of the contract. The Final Amendment should state that COD declared for the purposes of the Grid Code shall not by itself constitute commissioning or commercial operation under the contract, or give rise to any right or liability under it. Second, between COD under the Grid Code and commencement of supply under the contract, the station will have no contracted buyer. The Final Amendment should provide for the sale of such power, on the lines of Regulation 25A(3), and should clarify which of the two dates governs those obligations under the GNA Regulations and the Sharing Regulations that are linked to COD.

Re. Introduction of a new framework for levy of congestion charges under Regulation 30A.

29. The Explanatory Memorandum records that NLDC's revised draft procedure applies congestion charge in a wheeling region only where the deviation from schedule exceeds ±20 MW in the relevant time block. Regulation 30A(1)(b), however, provides that any deviation by a regional entity in such a region shall attract congestion charge, without this threshold. As congestion charge is levied over and above deviation charges under the DSM Regulations, a materiality threshold is necessary for proportionality. It limits liability and should therefore be placed in Regulation 30A itself and not left to the detailed procedure.

30. Regulation 30A(2) leaves the rate of congestion charge to be specified by order. The rate, or the methodology for its determination, should be specified in the regulation after consultation. The Final Amendment should also provide for the application of amounts collected. In a wheeling region, every deviating entity

pays and none receives. The resulting surplus should be earmarked for measures that relieve congestion. Further, proposed Regulation 59(5), which repeals the Congestion Regulations, refers to the "Second Amendment Regulations, 2025" in place of 2026 and contains no savings clause. On the lines of existing Regulation 59(4), it should save liabilities accrued, proceedings pending and amounts lying in the congestion charge account under the Congestion Regulations.

31. Under Regulation 30A(3), congestion charge applies after a notice of two time blocks. An entity whose deviation arises from forecast error, such as a wind or solar generator or a distribution licensee with substantial renewable procurement, can correct its position only by revising its schedule or transacting in the RTM, both of which take effect later than two time blocks. A charge that begins before the entity is able to respond penalises it without relieving the congestion. Lengthening the notice would delay relief to the grid and is not the answer. This Hon'ble Commission may instead consider permitting regional entities in the affected control area to revise their schedules on priority upon issuance of the warning notice at the ATC stage, so that corrective action is in place before the TTC is crossed.

Re. Declared Capacity during peak hours under Regulation 45(8)(a).

32. The Draft Amendment adds a proviso to Regulation 45(8)(a) that a regional entity thermal generating station shall not declare a Declared Capacity for peak hours lower than that for off-peak hours, except in case of forced outage or partial outage, failing which its Declared Capacity for the purpose of fixed charges shall be taken as the lower of the two.

33. The proviso secures availability when the system needs it most and is supported. It requires three clarifications. First, the Principal Regulations do not define "peak hours" or "off-peak hours". The expressions should be defined in the Grid Code, consistently with the peak hours declared by the concerned RLDC for the purposes of the Tariff Regulations. Second, the proviso does not state the period to which the lower figure applies. It should state whether the lower

Declared Capacity is applied to the off-peak hours of that day alone or to the entire day. Third, the exceptions are confined to forced outage and partial outage. A reduction in Declared Capacity during peak hours on account of an instruction of the RLDC or a transmission constraint is equally outside the control of the generating station and should also be excepted.

Re. Regulation of access to defaulting entities under Regulation 45(16).

34. Regulation 45(16) provides for regulation of short-term T-GNA in its entirety after the default trigger date, followed by regulation of short-term GNA contracts if dues remain unpaid two months later, together with a progressive 5% per month reduction in drawal/injection schedules under contracts other than short-term contracts.

35. As submitted in Part II above, the triggers and curtailment rates under Regulation 45(16) should be aligned with Regulation 33 of the RLDC Fees Regulations. This Hon'ble Commission may also clarify the interaction between sub-clauses (i), (ii) and (iii), in particular, whether the progressive reduction under sub-clause (iii) commences from the default trigger date or only after the short-term contracts have been regulated. The power of NLDC to review regulation of access for reasons of grid security, presently confined to sub-clause (i), should extend to sub-clauses (ii) and (iii).

36. Regulation of the schedule of a defaulting seller reduces supply to a buyer who is not in default, and the converse is equally true. This Hon'ble Commission may consider providing for 7 days' written notice to the defaulting entity, with a copy to its contractual counterparties, before regulation commences, so that the counterparties are able to make alternate arrangements. As regards disputed amounts, the Explanatory Memorandum notes that default by one entity leaves the Pool Account in deficit and delays payment to the entities entitled to receive. Disputed amounts should therefore not be excluded from the regime. The Final Amendment may instead provide that an entity may pay under protest and, if its

dispute succeeds, shall be refunded with interest at the rate applicable to delayed payment.

Re. Scheduling of Free Power share of State Government from bus bar of Central Hydro Generating Station under Regulation 45(17) and Annexure-8.

37. The Draft Amendment permits a State Government with a free power entitlement in a Central Hydro Generating Station ("**CHGS**") to sell such power directly from the generating station's bus bar, with no transmission loss or transmission charges applicable to the corresponding injection and drawal schedules of the State Government.

38. The exemption removes a quantum of scheduled power from the pool over which transmission charges are shared under the Sharing Regulations. The charges not recovered on this quantum will be borne by the other designated ISTS customers and, through them, by consumers in other States. This Hon'ble Commission may consider quantifying this impact and addressing it through a concurrent amendment to the Sharing Regulations.

39. Two clarifications are required in Annexure-8. First, paragraph 4.11 should make clear that the exemption from transmission charges and losses is confined to the schedule of the State Government at the bus bar, and that the purchaser of such power remains liable for the charges and losses applicable to its drawal. Second, paragraph 4.8 permits the State Government to buy power under T-GNA "as a trading licensee". The capacity in which the State Government transacts, and its eligibility for T-GNA under the GNA Regulations, should be expressly provided for.

Re. Reduction of the declaration window under Regulation 46.

40. The Draft Amendment compresses the timeline for declaring units under USD, advancing the generating station's intimation to RLDC and beneficiaries from 1800 hrs (the timeline mentioned in this Hon'ble Commission's Order dated 05.10.2025 in Petition No. 9/SM/2024) to 1430 hrs. It correspondingly compresses the beneficiaries' schedule-revision window and the final declaration

deadline to 1600 hrs, measured from a reference point of 1400 hrs when NLDC publishes its tentative list.

41. A decision to take a unit under USD affects the beneficiaries, who continue to bear capacity charges for off-bar Declared Capacity under proposed Regulation 47(2b), and the grid, which loses on-bar capacity for the following day. A decision taken on incomplete information serves none of them. The window of 30 minutes between 1400 hrs and 1430 hrs is narrow for a multi-unit station that must assess fuel position, technical minimum, ramp rates and unit status, and consult several beneficiaries. The tentative list cannot be published earlier, as Regulation 46(4)(a) bases it on requisitions and day-ahead market results received till 1300 hrs. This Hon'ble Commission may therefore consider extending the time for the generating station's intimation to 1500 hrs, with the beneficiaries' revision by 1600 hrs and the declaration under sub-clause (b-i) by 1615 hrs. The beneficiaries retain one hour, and the timelines of 1630 hrs for the final list and 1700 hrs for SCUC are not disturbed.

42. Further, proposed Regulation 46(4)(b-i) permits the generating station to "declare" units under USD by 1600 hrs, while proposed Regulation 47(2a) requires it to "inform" the RLDC and beneficiaries of the units to be taken under USD by 1800 hrs. The Final Amendment should state which of the two is binding and whether a unit declared under USD at 1600 hrs but brought to minimum turndown level by NLDC through SCUC at 1700 hrs remains on bar.

Re. Off-take obligation for beneficiaries under the USD framework for Regulation 47.

43. The Explanatory Memorandum records that requisitions below minimum turndown level are affecting grid security and the operation of thermal generating stations, and that the responsibility for an operationally feasible schedule lies with the beneficiaries as well. It nevertheless defers an off-take obligation, as the portfolio of a beneficiary includes renewable energy and internal generation. That reasoning is accepted. A distribution licensee must

absorb its renewable procurement, and a rigid off-take obligation would raise the cost of power for its consumers. The issue is one of resource adequacy planning and needs to be measured before it is regulated.

44. This Hon'ble Commission may accordingly consider: (a) directing the RLDCs to publish, at regular intervals, station-wise and beneficiary-wise data on requisitions below minimum turndown level and on the support extended through SCUC; (b) requiring a beneficiary that persistently requisitions below minimum turndown level to furnish reasons to the concerned RLDC; and (c) reviewing the need for an off-take obligation at the next amendment on the basis of this data.

45. A further point arises on the substituted Regulation 47(2). Existing Regulation 47(2) obliges a generating company whose unit goes under USD to meet its supply obligation to the beneficiaries who had requisitioned power, through the power market, its other generating stations or SCED. The substituted clause omits that obligation. Requisitions are reduced pro rata and, where the only running unit goes under USD, the beneficiaries receive no power, while continuing to bear capacity charges for off-bar Declared Capacity under clause (2b). Regulation 48(1)(i) and 48(2), which provide for supply from alternate sources in case of USD, are nevertheless retained. The Final Amendment should state whether the obligation to arrange alternate supply survives. If it does not, it should provide how a beneficiary that had requisitioned its full share, and loses supply only because of under-requisition by other beneficiaries, is to be served.

Re. Scheduling power from alternate sources under Regulation 48(3)(f).

46. The Draft Amendment requires that, in the absence of contractual provisions, supply of power from an alternate source by a generating station whose tariff is not determined under Section 62 of the Act shall require the express consent of the buyer, which consent "may be in the form of a standing consent", together with mutual agreement on sharing of net savings.

47. This Hon'ble Commission may consider specifying the validity period of such standing consent. Without an express provision in this respect, a standing consent taken at the inception of a long-term arrangement may be used to cover alternate-source substitutions never contemplated by the buyer at the time consent was given.

48. This Hon'ble Commission may alternatively consider prescribing that a standing consent must identify the categories of alternate source and the applicable net savings-sharing mechanism, and must be capable of being reviewed or revoked by the buyer at reasonable intervals, so that the consent requirement operates as a meaningful safeguard rather than a one-time formality.

49. Further, this Hon'ble Commission may consider fixing a timeline within which the buyer must provide its express consent, failing which the request shall be deemed refused. This would help provide certainty to the generating company and avoid an indefinite waiting period.

Re. Compression of RTM gate closure and schedule revision timelines under Regulations 48 and 49.

50. The Draft Amendment implements, in two phases, a reduction in the interval between RTM clearing and delivery, and a corresponding advancement of the schedule-revision cut-off for GNA grantees from the 7th/8th time block to the 6th/7th time block (Phase-1, up to 31.03.2027) and further to the 5th/6th time block (Phase-2, from 01.04.2027).

51. The shortening of timelines is supported. Gate closure nearer to delivery reduces forecast error for distribution licensees and renewable generators, reduces deviation, and reduces the reserves that the system operator must carry. The benefit depends on readiness across the entire chain and not only at NLDC and the power exchanges. A distribution licensee revises its schedule through its State Load Despatch Centre ("**SLDC**"). Unless the SLDCs and intra-State entities have equivalent automation, State entities will be unable to use the shorter

window and will bear the resulting deviation. This Hon'ble Commission may consider directing Grid Controller of India Limited to file and publish a readiness report covering NLDC, the RLDCs, the SLDCs, the power exchanges and the API-based integration between them, and providing that Phase-2 shall commence on 01.04.2027 or such later date as this Hon'ble Commission may notify upon considering that report.

52. A drafting correction is also required. Paragraph 16(B) of the Draft Amendment, which implements Phase-2 from 01.04.2027, substitutes the timings "22.45" and "23.00" in Regulation 49(1)(q)(ii) and "23.00" in Regulation 49(1)(q)(iv). By that date, those timings will already stand substituted by paragraph 16(A): the window in sub-clause (q)(ii) will read "23.00 hrs to 23.15 hrs" and the clearing period in sub-clause (q)(iv) will read "23.15 hrs till 23.30 hrs". Applied to that text, paragraph 16(B) makes the window in sub-clause (q)(ii) read "23.20 hrs to 23.15 hrs" and leaves sub-clause (q)(iv) unchanged. It does not produce the Phase-2 window of 23.15 hrs to 23.20 hrs and clearing period of 23.20 hrs to 23.30 hrs set out at paragraph 20.27(b) of the Explanatory Memorandum. Paragraph 16(B) should be redrafted with reference to the text as amended by paragraph 16(A), or should set out the substituted sub-clauses in full.

Re. Ensuring readiness to accommodate new and emerging sources of power along with rising demand.

53. The Sustainable Harnessing and Advancement of Nuclear Energy for Transforming India Act, 2025 ("**SHANTI Act**") provides for the promotion and development of nuclear energy for nuclear power generation, recording that the accelerated growth of Artificial Intelligence ("**AI**"), high-performance computing and large-scale data-driven research requires reliable, abundant and Round-the-Clock ("**RTC**") power, which nuclear energy is capable of providing.

54. The Principal Regulations and the Draft Amendment do not presently contain any provision addressing connectivity, scheduling, frequency response or

Grid Code compliance specific to nuclear generating stations, nuclear power plants or nuclear islands. Similarly, the definitions inserted or amended under Regulation 3 of the Draft Amendment do not include a definition of "nuclear generating station" comparable to the newly proposed definition of "Central Hydro Generating Station" based on hydro sources.

55. With private entities now eligible to build and operate nuclear power plants under the SHANTI Act, and with the rapidly rising power requirements of data centres and similar loads, this Hon'ble Commission may consider amending the Principal Regulations ahead of, or concurrently with, the first wave of nuclear projects reaching the connectivity stage, rather than after the commissioning of such projects.

56. Technologies such as AI, high-performance computing, semiconductor fabrication and large-scale data-driven research require reliable RTC power supply, reflecting the scale of demand anticipated from upcoming data centres. The large, concentrated, continuous loads of the kind a hyperscale data centre or Global Capability Centre ("**GCC**") represents would need to be accounted for within the Grid Code. Such loads differ materially from conventional industrial or distribution loads, as data centres and GCCs possess high load factors and have a limited tolerance for curtailment.

57. This Hon'ble Commission may consider directing NLDC to separately track and publish GCC and hyperscale data centre capacity additions, given their distinct growth trajectories and power-density profiles. Further, reconciling these facilities' power requirements with the Grid Code's connectivity and scheduling timelines would ensure that policy incentives to locate such facilities in India are not undermined by grid-connectivity delays.

IV. CONCLUSION

58. The Draft Amendment addresses a wide range of operational issues that have arisen in the implementation of the Principal Regulations since 2023, and the proposed changes are, in large part, well-reasoned responses to specific

stakeholder representations, incorporating the suo motu directions recorded in the Explanatory Memorandum.

59. The comments above are intended to assist this Hon'ble Commission in three respects: aligning the amended Grid Code with the other regulations and procedures governing the grid; giving generators, storage developers, transmission licensees, distribution licensees and their lenders certainty on the obligations and charges that will apply to them; making the Grid Code future-ready; and ensuring that the consequences of delay in transmission and connectivity are dealt with consistently across the Grid Code. Addressed together, these would allow the amended Grid Code to serve grid security and the interest of consumers while sustaining the investment that the sector requires.

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