

CENTRAL ELECTRICITY REGULATORY COMMISSION
3rd & 4th Floor, Chanderlok Building, 36, Janpath, New Delhi-110001

No. L-1/261/2021/CERC

Dated: 16th February 2024

PUBLIC NOTICE

Subject: Draft Central Electricity Regulatory Commission (Connectivity and General Network Access to the inter-State Transmission System) (Second Amendment) Regulations, 2024.

In the exercise of powers conferred under Section 178 of the Electricity Act, 2003 (the Act) and other enabling provisions under the Act, the Commission has made Draft Central Electricity Regulatory Commission (Connectivity and General Network Access to the inter-State Transmission System) (Second Amendment) Regulations, 2024 and the same is posted on the website of the Commission (www.cercind.gov.in).

2. Notice is hereby given under sub-section (3) of Section 178 of the Act read with Electricity (Procedure for Previous Publication) Rules, 2005, inviting comments/ suggestions/ objections from the stakeholders and interested persons on the above Draft Regulations. The comments/ suggestions/ objections may be sent to the undersigned on or before 8th March 2024 at the email addresses secy@cercind.gov.in and shilpa@cercind.gov.in. For registered users, the comments/ suggestions/ objections shall also be uploaded through the SAUDAMINI Portal by clicking the e-Regulation link on the e-filing Home Page. For any query on uploading on the SAUDAMINI Portal, e-Court Helpdesk at 011-23353503 Extension 260 or 7042604928 may be contacted.

3. The comments/ suggestions/ objections received after the stipulated date in the Commission's office may not be considered while finalizing these regulations.

Sd/
(Harpreet Singh Pruthi)
Secretary

CENTRAL ELECTRICITY REGULATORY COMMISSION

NEW DELHI

No. L-1/261/2021/CERC

Dated: 16.02.2024

DRAFT NOTIFICATION

In exercise of the powers conferred by sub-section (1) of Section 178 and clause (ze) of sub-section (2) of Section 178 read with clause (47) of Section 2, clause (d) of sub-section (2) of Section 38, clause (c) of Section 40 and clause (c) of sub-section (1) of Section 79 of the Electricity Act, 2003 and all other powers enabling it in this behalf and after previous publication, the Central Electricity Regulatory Commission hereby makes the following regulations to amend the Central Electricity Regulatory Commission (Connectivity and General Network Access to the inter-State Transmission System) Regulations, 2022 (hereinafter referred to as “the Principal Regulations”) namely:

1. Short Title and Commencement

- 1.1. These regulations may be called the Central Electricity Regulatory Commission (Connectivity and General Network Access to the inter-State Transmission System) (Second Amendment) Regulations, 2024.
- 1.2. These regulations shall come into force on such date as the Central Commission may notify.

2. Amendment to Regulation 2.1 of the Principal Regulations:

- 2.1. A new Clause, namely, Clause (ag-i), shall be added after Clause (ag) of Regulation 2.1 of the Principal Regulations as under:
“(ag-i) “Renewable Energy Implementing Agency” means and includes an entity designated by the Central Government or the State Government to act as

Intermediary Procurer to select and buy power from Renewable energy generating station(s) and sell the same to one or more distribution licensees or any other entity in accordance with the Guidelines issued from time to time by the Ministry of Power, Government of India or the Ministry of New and Renewable Energy, Government of India or the State Government.”

3. Amendment to Regulation 3.5 of the Principal Regulations:

- 3.1. The words “one week” before the words “of the receipt of application” shall be substituted with the words “Eighteen (18) days” in Regulation 3.5 of the Principal Regulations.

4. Amendment to Regulation 4.1 of the Principal Regulations:

- 4.1. A new Clause, namely, Clause (f), shall be added after Clause (e) of Regulation 4.1 of the Principal Regulations as under:

“(f) Notwithstanding anything contained under Clauses (a) to (c) of this Regulation, the minimum installed capacity individually or with an aggregate installed capacity to apply for a grant of Connectivity shall be 25 MW in North Eastern Region (NER).”

5. Amendment to Regulation 5.8 of the Principal Regulations:

- 5.1. The sub-clause (c) to Clause (vii) of Regulation 5.8 of the Principal Regulations shall be substituted, and sub-clause (d) shall be added after sub-clause (c) as under:

“(c) For a capacity up to 1000MW - Bank Guarantee of Rs. 10 lakh/ MW and for a capacity more than 1000MW - Bank Guarantee of Rs. 100 Crore plus Rs. 5 lakh/ MW for capacity over and above 1000MW, in lieu of ownership or lease rights or land use rights of land for 50% of the land required for the capacity for which Connectivity is sought subject to provisions of Regulations 11A and 11B of these regulations; or

(d) Government Order issued by the concerned Government for allotment of the land along with possession documents for 100% of the land required for the capacity for which Connectivity is sought.”

- 5.2. The sub-clause (c) to Clause (xi) of Regulation 5.8 of the Principal Regulations shall be substituted, and sub-clause (d) shall be added after sub-clause (c) as under as under:

“(c) For a capacity up to 1000MW - Bank Guarantee of Rs. 10 lakh/ MW and for a capacity more than 1000MW - Bank Guarantee of Rs. 100 Crore plus Rs. 5 lakh/ MW for capacity over and above 1000MW, in lieu of ownership or lease rights or land use rights of land for 50% of the land required for the capacity for which Connectivity is sought subject to provisions of Regulations 11A and 11B of these regulations; or

(d) Government Order issued by the concerned Government for allotment of the land along with possession documents for 100% of the land required for the capacity for which Connectivity is sought.”

6. Amendment to Regulation 7.1 of the Principal Regulations:

- 6.1. The number and words “30 days” shall be substituted with the number and words “60 days” in Regulation 7.1 of the Principal Regulations.

7. Amendment to Regulation 7.2 of the Principal Regulations:

- 7.1. The number and words “60 days” shall be substituted with the number and words “90 days” in Regulation 7.2 of the Principal Regulations.

8. Amendment to Regulation 11A of the Principal Regulations:

8.1. Clause (1), Clause (2) and Clause (3) of Regulation 11A of the Principal Regulations shall be substituted as under:

“(1) An applicant which is REGS (other than Hydro generating station) or ESS (excluding PSP) covered under sub-clause (c) of Clause (xi) of Regulation 5.8 or Renewable power park developer covered under sub-clause (c) of Clause (vii) Regulation 5.8, shall submit documents for land in terms of sub-clause (b) of Clause (xi) or sub-clause (b) of Clause (vii) of Regulation 5.8 of these regulations, as the case may be, within 18 months of issuance of an in-principle grant of Connectivity or within 12 months of issuance of a final grant of Connectivity, whichever is earlier. The Bank Guarantee submitted under sub-clause (c) of Clause (vii) or under sub-clause (c) of Clause (xi) of Regulation 5.8 of these regulations shall be returned within 7 days of submission of stipulated documents as proof of Ownership or lease rights or land use rights.

(2) An applicant which is REGS (other than Hydro generating station), ESS (excluding PSP) or Renewable power park developer to which a final grant of connectivity has been issued shall submit an Auditor’s certificate, certifying the release of at least 10% of the project cost including the land acquisition cost through equity latest by 12 months prior to the scheduled date of commercial operation of such applicant:

Provided that in case of REGS (other than Hydro generating station) or ESS (excluding PSP) who have been granted Connectivity under sub-clause (a) of Clause (xi) of Regulation 5.8 or are subsequently covered under sub-clause (a) of Clause (xi) of Regulation 5.8, the scheduled date of commercial operation for the purpose of Clause (2) of Regulation 11A shall be considered as SCOD, as extended by REIA or a distribution licensee or an authorized agency on behalf of distribution licensee from time to time, subject to the condition that any extension in the timeline to release 10% equity infusion due to extension in SCOD shall not be allowed more than 12 months from the original timeline as per initial SCOD.

(3) An applicant which is REGS (other than Hydro generating station), ESS (excluding PSP) or Renewable power park developer to which a final grant of connectivity has been issued shall have to achieve the financial closure for the capacity of such Connectivity, latest by 12 months prior to the scheduled date of commercial operation of such applicant:

Provided that such an applicant shall submit proof of Financial Closure of the project (with a copy of the loan sanction letter or proof of first disbursement of the loan amount) or a copy of board resolution (if internal funding is planned for 100% of the project cost) to CTU within 15 days of achieving the financial closure:

Provided that in case of REGS (other than Hydro generating station) or ESS (excluding PSP) who have been granted Connectivity under sub-clause (a) of Clause (xi) of Regulation 5.8 or are subsequently covered under sub-clause (a) of Clause (xi) of Regulation 5.8, the scheduled date of commercial operation for the purpose of Clause (3) of Regulation 11 A shall be considered as the SCOD, as extended by REIA or a distribution licensee or an authorized agency on behalf of distribution licensee from time to time, subject to the condition that any extension in the timeline to achieve the milestone of Financial Closure due to extension in SCOD shall not be allowed more than 12 months from the original timeline as per initial SCOD.”

- 8.2. A new Clause, namely Clause (5), shall be added after Clause (4) of Regulation 11A of the Principal Regulations as under:

“(5) In case of Applicants which have been granted Connectivity under sub-clause (a) of Clause (xi) of Regulation 5.8 of these regulations, and whose LoA or PPA gets terminated prior to the COD of the project, for the reasons not attributable to such Applicant and in cases where LoA or PPA has been terminated by the entity and the same has also been agreed by the REIA or

Distribution Licensee, such Applicant may convert the Connectivity, in full or part, granted under sub-clause (a) of Clause (xi) of Regulation 5.8 of these regulations to Connectivity under sub-clause (b) of Clause (xi) of Regulation 5.8 of these Regulations with no change in the start date of Connectivity consequent to such conversion and compliance to requirements of Clause (2) and Clause (3) of this Regulation as applicable to entities covered under sub-clause (b) of Clause (xi) of Regulation 5.8 of these regulations:

Provided that in case of conversion of part quantum of Connectivity from LOA or PPA to Land, balance quantum of Connectivity shall be revoked and shall be governed in terms of Regulation 24.6 of these regulations:

Provided further that such subsequent conversion from Land to LoA or PPA, for the purpose of fulfilling requirements under Regulation 11A and Regulation 24.6 of these regulations, shall not be permitted under Clause (4) of this Regulation.”

9. Amendment to Regulation 11B of the Principal Regulations:

- 9.1. The words “of Rs 10 lakh/MW” shall be substituted with the words “submitted in terms of sub-clause (c) of Clause (vii) or sub-clause (c) of Clause (xi) of Regulation 5.8 of these regulations,” in Clause (1) of Regulation 11B of these regulations.
- 9.2. The words “Bank Guarantee submitted under sub-clause (c) of Clause (vii) or sub-clause (c) of Clause (xi) of Regulation 5.8 of these regulations” shall be added after the words “Connectivity shall be revoked and” in Clause (2) of Regulation 11B of these Regulations.

(Harpreet Singh Pruthi)
Secretary

Note:

(i) The Central Electricity Regulatory Commission (Connectivity and General Network Access to the inter-State Transmission System) Regulations, 2022 were published on 19.07.2022 in Part III, Section 4 of the Gazette of India (Extraordinary) No. 364.

(ii) The Central Electricity Regulatory Commission (Connectivity and General Network Access to the inter-State Transmission System) (First Amendment) Regulations, 2023 were published on 06.04.2023 in Part III, Section 4 of the Gazette of India (Extraordinary) No. 229.