

Central Electricity Regulatory Commission

New Delhi

No. L-1/261/2021/CERC

Dated: 27. 1 .2023

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) (First Amendment) Regulations, 2023.
- 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 (t-i) shall be added after clause (t) of Regulation 2.1 of the Principal Regulations as under:

“(t-i) “Host State” means the State in which an entity is geographically located;”

3. Amendment to Regulation 5.2 of the Principal Regulations:

3.1. Regulation 5.2 of the Principal Regulations shall be substituted as under:

“5.2 Notwithstanding anything contained in Regulation 5.1, a generating station or ESS, with prior approval of CTU, shall be eligible to add, within the quantum of Connectivity granted to it, additional generation capacity or ESS, owned by the generating station or the ESS or any other entity:

Provided that the generating station or the ESS being the existing Connectivity Grantee shall be responsible for compliance with the Grid Code and other regulations of the Central Commission for such additional generation capacity including ESS as ‘Lead ESS’ or ‘Lead generator’ in terms of Regulation 2.1 (x)(ii) or Regulation 2.1 (y)(ii), as the case may be:

Provided further that net injection at any point of time shall not exceed the quantum of total Connectivity granted to the existing Connectivity grantee.”

4. Amendment to Regulation 5.8 of the Principal Regulations:

4.1. Clause (vii) of Regulation 5.8 of the Principal Regulations shall be substituted as under:

“(vii) In case of Renewable Power Park Developer, the following documents shall be submitted:

(a) authorisation by the Central Government or the State Government, as applicable, to undertake infrastructural activities including arrangement for Connectivity on behalf of solar power generators or wind power generators; and

(b) Registered Title Deed as a proof of Ownership or lease rights or land use rights for 50% of the land required for the capacity for which Connectivity is sought; and

(c) Auditor's certificate, certifying the release of at least 10% of the project cost including the land acquisition cost through equity."

4.2. New clause namely, clause (xi) shall be added after clause (x) of Regulation 5.8 of the Principal Regulations as under:

"(xi) In case of Applicants which are REGS (other than Hydro generating station) or ESS (excluding Pumped Storage Plant(PSP)) the following documents shall be submitted:

(a) Letter of Award (LOA) by, or Power Purchase Agreement (PPA) entered into with, a Renewable Energy Implementing Agency or a distribution licensee or an authorized agency on behalf of distribution licensee consequent to tariff based competitive bidding, as the case may be:

Provided that in case of Applicants being multi-located REGS, the details of locations and capacity at each location, duly certified by the Renewable Energy Implementing Agency or the distribution licensee, as the case may be, shall be submitted.

Or

(b)

(i) Registered Title Deed as a proof of Ownership or lease rights or land use rights for 50% of the land required for the capacity for which Connectivity is sought; and

(ii) Auditor's certificate, certifying the release of at least 10% of the project cost including the land acquisition cost through equity."

5. Amendment to Regulation 7.1 and 7.2 of the Principal Regulations:

5.1. The words "ATS" shall be substituted with the word "augmentation" in Regulation 7.1 of the Principal Regulations.

5.2. The words "ATS" shall be substituted with the word "augmentation (with ATS or without ATS)" in Regulation 7.2 of the Principal Regulations.

6. Amendment to Regulation 8.2 of the Principal Regulations:

- 6.1. The first para of the Regulation 8.2 of the Principal Regulations shall be substituted as under:

“8.2 For cases covered under (i) Regulation 7.1 of these regulations and (ii) Regulation 7.2 (Augmentation without ATS) of these regulations, Conn-BG2 and Conn-BG3, shall be furnished as under:”

7. Amendment to Regulation 8.3 of the Principal Regulations:

The words “where augmentation with ATS is required,” shall be added after the words “these regulations,” to the first para of the Regulation 8.3 of the Principal Regulations.

8. New Regulation 9.3:

- 8.1. A new Regulation, namely, Regulation 9.3 shall be added after Regulation 9.2 of the Principal Regulations as under:

“9.3 An applicant which is REGS (other than Hydro generating station), ESS (excluding PSP) or Renewable power park developer to which final grant of connectivity has been issued, shall have to achieve the financial closure for the capacity of such Connectivity, (a) within a period of 12 months from the date of issuance of final grant of connectivity, if the start date of Connectivity is within 2 years from date of issuance of final grant of connectivity or (b) a period equivalent to 50% time period between issue of final grant of Connectivity and start date of Connectivity, if the start date of Connectivity is more than 2 years from date of issuance of final grant of connectivity:

Provided that such an applicant shall submit proof of Financial Closure of the project (with copy of loan sanction letter or proof of first disbursement of loan amount) to CTU within 15 days of achieving the financial closure.

Provided further that if the Connectivity grantee fails to achieve the financial closure within the stipulated time as per this regulation or fails to submit the

copy of financial closure as per first proviso to this regulation Connectivity shall be revoked 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.”

9. Amendment to Regulation 15.1 of the Principal Regulations:

9.1. The symbol ‘full stop’ at the end of Regulation 15.1 and the proviso thereof of the Principal Regulations shall be substituted with the symbol ‘colon’.

9.2. A new proviso shall be added after the first proviso to the Regulation 15.1 of the Principal Regulations as under:

“Provided further that where a bulk consumer has been granted GNA under Regulation 17.1(iii) seeking to connect to ISTS directly, GNA granted to such Bulk consumer may be utilized in part or full by its subsidiaries.”

10. Amendment to Regulation 16.2 of the Principal Regulations:

10.1. A proviso shall be added to Regulation 16.2 of the Principal Regulations as under:

“Provided that in case of declaration of commercial operation of part capacity by the Connectivity grantee in a financial year, total quantum of such capacity declared under commercial operation within a financial year shall be considered while returning the Conn-BG2 and Conn-BG3 at the end of the financial year.”

11. New Regulation 16.5 of the Principal Regulations:

11.1. New Regulation 16.5 shall be added after Regulation 16.4 of the Principal Regulations as under:

“16.5 For an entity covered under Clause (iii) of Regulation 17.1 of these Regulations, Conn-BG1 shall be returned within one month of commencement of drawl of power. Conn-BG3 and Conn-BG2, as available, shall be returned in five equal parts over five years after commencement of drawl of power at the end of financial year or within one month of expiry of period of GNA, whichever is earlier.”

12. Amendment to Regulation 17.1 of the Principal Regulations:

- 12.1. A new clause, namely, (vi) shall be added after the clause (v) to the Regulation 17.1 of the Principal Regulations as under:

“(vi) An injecting entity which is granted Connectivity to intra-State transmission system and seeking GNA for purpose of injection into ISTS.”

13. Amendment to Regulation 18.1 of the Principal Regulations:

- 13.1. A proviso shall be added to the clause (f) of the Regulation 18.1 of the Principal Regulations as under:

“Provided that generating stations connected to the intra-State transmission system where Long Term Access granted to such entity or to its identified buyer, under the Connectivity Regulations, 2009 has become effective, shall be deemed to have been granted GNA equal to the quantum of such Long term Access, under these regulations.”

14. New Regulation 18.3:

- 14.1. A new Regulation, namely, Regulation 18.3 shall be added after Regulation 18.2 of the Principal Regulations as under:

“18.3 For a host State in which a regional generating station is located, and is connected only to STU system or connected to both STU system and ISTS, the GNA quantum at Annexure-I shall be reduced by the GNA quantum calculated based on the methodology specified in Annexure-II to these Regulations.”

15. Amendment to Regulation 20.3 of the Principal Regulations:

- 15.1. The words “and (vi),” shall be added after the words “under clause (v)” in the Regulation 20.3 of the Principal Regulations.

16. New Regulation 20.4

16.1 A new Regulation 20.4 shall be added after Regulation 20.3 of the Principal Regulations as under:

“20.4 Entities covered under clause (iii) of Regulation 17.1 of these regulations shall be eligible to apply for GNA to draw power only from renewable sources as identified at clause (2) of the Regulation 13 of the Sharing Regulations. Such GNA shall be called as GNA_{RE} for purpose of calculation of transmission charges in accordance with the Sharing Regulations. For purpose of these regulations GNA_{RE} shall be same as GNA: Provided that if such an entity with GNA_{RE} intends to draw power from the sources other than the sources identified at clause (2) of the Regulation 13 of the Sharing Regulations, it may:

(a) apply for grant of additional GNA; or

(b) it may convert GNA_{RE} into GNA by making an application to the Nodal Agency.”

17. Amendment to Regulation 22.2 of the Principal Regulations:

17.1. Two new clauses, namely, (b-i) and (b-ii) shall be added after clause (b) to the Regulation 22.2 of the Principal Regulations as under:

“(b-i) Entities covered under clause (iii) of Regulation 17.1 shall furnish Conn-BG1 for Rs 50 lakhs per application and Conn-BG3 for Rs 2 lakh/MW.

(b-ii) Entities covered under clause (vi) of Regulation 17.1 and applying GNA for injection into the ISTS shall comply with all requirements as applicable to entities under Regulation 4.1. For such entities Conn-BG1, Conn-BG2 and Conn-BG3 shall be returned in accordance with Regulation 16 of these regulations or on expiry of period of GNA, whichever is earlier.”

17.2. The special character “ . ” shall be substituted with the special character “ : ” at the end of the first para and first proviso to the clause (d) of the Regulation 22.2 of the Principal Regulations.

18. Amendment to Regulation 23.1 of the Principal Regulations:

18.1. The words “1 (one) year” shall be substituted with the words “3 (three) years” in the first para of the Regulation 23.1 of the Principal Regulations.

19. New Regulation 24.6 – Revocation of Connectivity:

19.1. A new Regulation, namely, Regulation 24.6 shall be added after Regulation 24.5 of the Principal Regulations as under:

“24.6 Revocation of Connectivity

(1)

(a) Connectivity shall be revoked for the corresponding capacity, if the Connectivity grantee fails to achieve COD either in full or in parts on or before,

(i) the scheduled date of commercial operation of the generation project, for cases covered under clause (xi)(a) of the Regulation 5.8, as intimated at the time of making application for grant of Connectivity or 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 as intimated at time of making application for grant of Connectivity, for cases covered under clause (xi)(b) of the Regulation 5.8 .

(b) In case of Applicants which have been granted Connectivity under clause (xi)(b) of the Regulation 5.8 but are subsequently covered under clause (xi)(a) of the Regulation 5.8, the last date for declaration of COD shall be the SCOD of the project or as extended or delayed commissioning permitted by the Renewable Energy Implementing Agency or the