

CENTRAL ELECTRICITY REGULATORY COMMISSION NEW DELHI

No. L-1/261/2021/CERC

Dated: 19.06.2024

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” or ‘REIA’ includes:

- (i) 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) for selling the same to one or more distribution licensees or any other entity;

- (ii) the Central Government or the State Government which intends to select and procure power from the REGS for their own consumption;
- (iii) the procurement of power under sub-clause (i) and (ii) of this Clause shall be in accordance with the Guidelines issued from time to time by the Central Government under Section 63 of the Act;

Explanation: 'any other entity' referred to in sub-clause (i) of this Clause shall include the Central or the State Government or any department of the Central or the State Government for its own consumption of renewable energy.

”

3. Amendment to Regulation 3.5 of the Principal Regulations:

3.1. Regulation 3.5 of the Principal Regulations shall be substituted as follows:

“After scrutiny, the Nodal Agency shall intimate the minor deficiency(ies), if any, in the application for grant of Connectivity or grant of GNA, to the Applicant within Ten (10) working days of the receipt of the application, in order of date and time of receipt of application. The Applicant shall rectify the minor deficiency(ies) within seven (7) working days thereafter, failing which the application shall be closed, and 20% of the application fee shall be forfeited. Balance 80% of the application fee shall be refunded by the Nodal Agency to the Applicant within 15 days of closure of the application:

Provided that date and time stamp of the application shall not be changed due to rectification of minor deficiency(ies) within the stipulated time:

Provided further that CTU shall publish a list of minor deficiencies and update it from time to time, as required. Any application having deficiencies other than the listed minor deficiencies shall be treated as incomplete and shall be rejected.

”

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) and Sikkim.”

5. Amendment to Regulation 5.8 of the Principal Regulations:

- 5.1. The sub-clauses (b) and (c) to Clause (vii) of Regulation 5.8 of the Principal Regulations shall be substituted as under:

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

Provided that for States where State Government issues Government Order for allotment of Land to the Nodal–Agency identified for development of Renewable energy in the State, which in turn issues Advance Possession of land to the project developer, such Government Order allotting land to the Nodal Agency accompanied with Advance Possession letter issued in the name of Applicant of Connectivity, shall be considered as a valid document towards Land Use Rights subject to the condition that the said documents shall be submitted for at least 50% of the land required for the capacity for which Connectivity is sought; OR

(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

.”

- 5.2. The sub-clauses (b) and (c) to Clause (xi) of Regulation 5.8 of the Principal Regulations shall be substituted as under:

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

Provided that for States where State Government issues Government Order for allotment of Land to the Nodal Agency identified for development of Renewable energy in the State, which in turn issues Advance Possession of land to the project developer, such Government Order allotting land to the Nodal Agency accompanied with Advance Possession letter issued in the name of Applicant of Connectivity, shall be considered as a valid document towards Land Use Rights subject to the condition that the said documents shall be submitted for at least 50% of the land required for the capacity for which Connectivity is sought; OR

(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; ”

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 subclause (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 an in-principle grant of connectivity has been issued shall have to achieve the financial closure for the capacity of such Connectivity, latest by 6 months prior to the scheduled date of a commercial operation or start date of Connectivity of such applicant, whichever is later:

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 further that in case of REGS (other than Hydro generating station) or ESS (excluding PSP) which has been granted Connectivity under sub-clause (a) of Clause (xi) of Regulation 5.8, the scheduled date of commercial operation for the purpose of this Clause 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:

Provided also that entities which have been granted Connectivity under sub-clause (b) or (c) of Clause (xi) of Regulation 5.8 and are subsequently covered under sub-clause (a) of Clause (xi) of Regulation 5.8 shall be required to achieve financial closure for the capacity of such Connectivity, latest by 6 months prior to the start date of Connectivity of such applicant.

- (3) In case of Applicants who have been granted Connectivity under subclause (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 or approved by the REIA or Distribution Licensee or appropriate Commission, 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) or sub-clause (c) to Clause (xi) of Regulation 5.8 of these Regulations with no change in the start date of Connectivity and point of connectivity with ISTS, consequent to such conversion. Such entity shall comply with the requirements of Clause (2) of this Regulation within six months from approval of such conversion or six months prior to the start date of Connectivity, whichever is later:

Provided that if the conversion is made to Connectivity under sub-clause (c) of Clause (xi) of Regulation 5 of these Regulations, the entity shall comply with the requirement of Clause (1) of this Regulation within three months from the date of approval of such conversion by the CTU:

Provided further that in case of conversion of part quantum of Connectivity granted under sub-clause (a) of Clause (xi) of Regulation 5.8 of these regulations to Connectivity under sub-clause (b) or sub-clause (c) to Clause (xi) of Regulation 5.8 of these Regulations, balance quantum of Connectivity shall be revoked and shall be governed in terms of Regulation 24.6 of these regulations:

Provided also that once an entity has been allowed to convert the Connectivity granted under sub-clause (a) of Clause (xi) of Regulation 5.8 of these regulations to Connectivity under sub-clause (b) or sub-clause (c) to Clause (xi) of Regulation 5.8 of these Regulations, any subsequent conversion to Connectivity under sub-clause (a) of Clause (xi) of Regulation 5.8 of these regulations shall not be permitted. Such entity shall be eligible to obtain LOA or enter into PPA for the purpose of sale of power from its project, but such LOA or PPA shall have no bearing on the timeline for fulfilling requirements under Regulation 11A and Regulation 24.6 of these regulations.

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

9.1. The words “of Rs 10 lakh/MW submitted” 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. Clause (2) of Regulation 11B of these Regulations shall be substituted as follows:

“

(2) If the Connectivity grantee fails to achieve the financial closure within the stipulated time or fails to submit the copy of financial closure within the stipulated time as per Clause (2) of Regulation 11A of these regulations, Connectivity shall be revoked, 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 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.”

10. Amendment to Regulation 24.6 of the Principal Regulations:

10.1 A new sub-clause (iii) shall be added below sub-clause (ii) of Clause (1)(a) of Regulation 24.6 of the Principal Regulations as under:

“(iii) for cases covered under Clause (xi)(a) of the Regulation 5.8 of these regulations

but are subsequently covered under clause (xi)(b) or (xi)(c) of Regulation 5.8 under Regulation 11A of these Regulations, scheduled date of commercial operation for the purpose of Clause (ii) of this Regulation shall be the start date of Connectivity or the six months from the date of approval by CTU for such conversion from Clause (xi)(a) to Clause (xi)(b) or (xi)(c) of Regulation 5.8 of these Regulations, whichever is later.”

Sd/-
(Harpreet Singh Pruthi)
Secretary

Note:

- (1) 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.
- (2) 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.