

CENTRAL ELECTRICITY REGULATORY COMMISSION

NEW DELHI

Petition No. 429/MP/2025

Coram:

Shri Jishnu Barua, Chairperson

Shri Harish Dudani, Member

Shri Ravinder Singh Dhillon, Member

Date of Order: 16.03.2026

In the matter of:

Petition under Section 79(1)(f) of the Electricity Act, 2003 read with Regulation 42 of the Central Electricity Regulatory Commission (Connectivity and General Network Access to the inter-State Transmission System) Regulations, 2022 (as amended) and Connectivity Sharing Agreement dated 24.02.2025 entered between Halvad Renewables Private Limited and Azure India Private Limited for seeking limited modification of in-principle grant of Connectivity issued by Central Transmission Utility of India for 130 MW at Gadag Pooling Station and thereby allowing the Petitioner to construct the dedicated transmission infrastructure.

And

In the matter of:

M/s Halvad Renewables Private Limited

1st Floor, Eastern Wing,
Thapar House, 124 Janpath
New Delhi- 110001

.....Petitioner

Versus

Central Transmission Utility of India Limited

Suadamini, 1st Floor,
Plot No.2, Sector-29,
Gurugram, Haryana-122001

.....Respondent 1

Azure Power India Private Limited

DSC-304, Second Floor,
DLF South Court, Saket District Centre,
New Delhi – 110017

.....Respondent 2



Parties Present:

Shri Shashwat Kumar, Advocate, HRPL
Shri Rahul Chouhan, Advocate, HRPL
Shri Harshit Gupta, Advocate, HRPL
Shri Mukut Choudhary, Advocate, HRPL
Shri Rajiv Yadav, Advocate, HRPL
Shri Ajay Mehrotra, HRPL
Ms. Harleen Kaur, HRPL
Shri Shubham Arya, Advocate, CTUIL
Ms. Pallavi Saigal, Advocate, CTUIL
Shri Rishabh Saxena, Advocate, CTUIL
Ms. Muskan Agrawal, CTUIL

ORDER

Halvad Renewables Private Limited has filed the instant Petition under Section 79(1)(f) of the Electricity Act, 2003 read with Regulation 42 of the Central Electricity Regulatory Commission (Connectivity and General Network Access to the inter-State Transmission System) Regulations, 2022 and Connectivity Sharing Agreement dated 24.02.2025 entered between Halvad Renewables Private Limited and Azure India Private Limited, seeking modification of in-principle grant of Connectivity issued by Central Transmission Utility of India for 130 MW at Gadag Pooling Station.

2. The Petitioner has made the following prayers in the present Petition:

- (a) *Admit the present Petition;*
- (b) *Exercise its powers under Regulation 42 of the Central Electricity Regulatory Commission (Connectivity and General Network Access to the inter-State Transmission System) Regulations, 2022 (as amended) so as to direct Respondent No.1, Central Transmission Utility of India Limited, to modify the Connectivity Grant Letter dated 27.01.2025, thereby recognizing the Halvad Renewables Private Limited as the entity which shall develop the dedicated transmission infrastructure as the Lead Generator in accordance with the mutually executed FORMAT-CONN-SHARE Agreement dated 24.02.2025 as per its applicable connectivity timelines ;*
- (c) *Allow the Petitioner to set up the connectivity infrastructure by 31.12.2026 or such extended period as the Hon'ble Commission may grant to the prayer (d) herein;*
- (d) *Exclude the time period with respect to the start date of Connectivity for the Petitioner, accounting for delays arising due to the present litigation, thereby ensuring that the Petitioner does not suffer any adverse regulatory consequences or financial penalties due to circumstances beyond its control; and*
- (e) *Pass such other Order(s) that this Hon'ble Commission may deem fit and proper under the facts and circumstances presented herein in the interest of justice.*

Submissions of the Petitioner



3. The petitioner has made the following submissions:
- a) On 02.02.2023, the Petitioner, Halvad Renewables Private Limited (HRPL), submitted a Stage-II ISTS Connectivity application for 130 MW at the Gadag PS.
 - b) During the 17th Consultation Meeting for Evolving Transmission Schemes (CMETS), on 31.03.2023, it was proposed that HRPL be granted Stage-II Connectivity for 130 MW at Gadag PS on a shared basis with Azure Power, considering the available transmission margin was exclusively within the dedicated connectivity infrastructure of Respondent No.2, i.e., Azure Power. Azure Power had already been granted ISTS Connectivity for 170 MW at Gadag PS by CTUIL.
 - c) HRPL, vide letter dated 09.12.2024, requested CTUIL to grant Connectivity for 130 MW at Gadag PS with a start date of 31.12.2026.
 - d) A meeting was convened on 13.11.2024 between the representatives of HRPL and Azure Power to deliberate upon the sharing of connectivity infrastructure for their respective 130 MW and 170 MW ISTS Connectivity at Gadag PS, regarding the construction and operation of the 220 kV Dedicated Transmission Line (“DTL”) and the associated switching substation. Both parties mutually agreed that HRPL would take on the role of Lead Generator and would develop the DTL, switching substation, and the necessary infrastructure to ensure seamless connectivity to Gadag PS, incorporating provisions for Azure Power to integrate into the system.
 - e) CTUIL, vide letter dated 27.01.2025, granted in-principle grant for Connectivity to HRPL for 130 MW at Gadag PS on a sharing basis of DTL with Azure Power with start date of Connectivity as 31.12.2026 as per which DTL, including the 220 kV pooling station at the switchyard of Azure Power and the associated 220 kV Gadag PS single circuit (S/c) transmission line, has to be constructed by Azure Power.
 - f) HRPL and Azure Power executed the Sharing Agreement on 24.02.2025. HRPL has been designated as the Lead Generator under Regulation 2(y) of the CERC GNA Regulations, 2022, and would be responsible for undertaking all the operational and commercial responsibilities related to the shared connectivity infrastructure. HRPL has to construct the dedicated 220 kV D/c transmission line (strung on a single-circuit) (Halvad - Gadag Transmission Line), from its pooling station to Gadag PS, including terminal bays at the generation pooling station. The ownership of the said Halvad Gadag Transmission Line / DTL and the 220 kV bay at Gadag PS shall vest with HRPL. Azure Power shall have the right to tap into the line at a mutually agreed location to inject its

170 MW capacity.

- g) HRPL, vide letter dated 05.03.2025, requested CTUIL to allow HRPL to undertake the responsibility of constructing the dedicated transmission line and make the necessary amendments in the Connectivity Letter dated 27.01.2025.
- h) The allocation of the right to construct DTL upon Azure Power, as reflected in CTUIL's In-principle Connectivity, creates an operational and regulatory difficulty for HRPL in constructing the DTL.
- i) Sharing Agreement executed between HRPL and Azure Power establishes and recognises that HRPL shall act as the Lead Generator. GNA Regulations, 2022, do not contain any provision explicitly addressing the procedure for changing the entity developing the connectivity infrastructure mentioned in the In-Principle approval after the grant of in-principle Connectivity. As a result, HRPL is unable to assume its definitive role as recognised under the Sharing Agreement.
- j) With respect to the inherent powers of this Commission to exercise its power to remove difficulties, reliance is placed upon the Order dated 28.02.2024 passed by this Commission in Petition No. 72/MP/2024 in the matter of NTPC Limited v. Grid Controller of India & Ors.
- k) This Commission has taken a liberal approach while dealing with the regulatory issues faced in the implementation of renewable projects and has time and again issued such directions which not only allow the successful implementation of the renewable projects to achieve policy objectives of promoting renewables but also ensure that the connectivity granted to such renewable projects is utilised efficiently. In this regard, reliance is placed on the Order dated 12.07.2024 passed by this Commission in Petition No. 192/MP/2024 in the matter of ACME Solar Holdings Pvt. Ltd. & Anr. v. CTUIL.

Hearing on 24.6.2025

4. Learned counsel for the Petitioner submitted that the present Petition has been filed, inter alia, seeking exercise of 'Power to Relax' by the Commission under Regulation 42 of the GNA Regulations, 2022 and issue directions to CTUIL for modification of the in-principle grant of connectivity issued to the Petitioner by Respondent No. 1, CTUIL for 130 MW at Gadag Pooling Station, thereby allowing the Petitioner to construct the dedicated transmission infrastructure as the lead generator in accordance with the Connectivity Sharing Agreement dated 24.2.2025 executed between the Petitioner and Respondent No. 2, Azure Power India Power Limited.

5. In response to the specific query of the Commission regarding the Petitioner having approached CTUIL requesting such modification of the in-principle grant of connectivity to the extent that the dedicated system can be constructed, operated and owned by the Petitioner, the learned counsel submitted that the Petitioner has indeed approached CTUIL for such modification. However, CTUIL has expressed its inability to approve such modifications and, accordingly, advised the Petitioner to approach the Commission for appropriate directions in this regard.
6. The Commission directed to issue notice to the Respondents, subject to just exceptions and further directed the Respondents to file their replies.

Submissions of Respondent No. 1- CTUIL

7. CTUIL vide affidavit dated 11.08.2025 submitted as under:
 - a) CTUIL has no statutory or regulatory power to effect such post-facto modification of in-principle Connectivity once granted.
 - b) On 21.10.2021, Azure submitted Application No. 1200003497 seeking Stage-II Connectivity for 120 MW at the Gadag PS with the start date of Connectivity as 15.01.2023. On 22.11.2021, Azure submitted Application No. 1200003534 for enhancement in the Connectivity quantum of grant for Stage -II Connectivity by 50 MW, with a start date of Connectivity on 22.07.2023.
 - c) On 29.12.2021, CTUIL intimated the grant of Stage-II Connectivity for 120 MW to Azure as per the CERC Connectivity Regulations, 2009, at Gadag PS with a start date of Connectivity as 15.06.2023. In the final grant of Connectivity, the dedicated transmission system for Connectivity is under the scope of the applicant, i.e., Azure, which reads as follows:

Dedicated Transmission System for Connectivity

 - Generation Pooling Station of M/s Azure Power India Pvt Ltd - Gadag PS 220 kV S/c line on D/c tower, including terminal bays at the generation pooling station - **under the scope of the applicant.**
 - 220 kV bay at Gadag PS end for termination of the above dedicated line - **under the scope of ISTS.**
 - d) On 28.01.2022, Azure submitted Conn-BG-2 for Rs. 3 Crore in terms of Regulation 8.2 of the GNA Regulations, 2022. The validity of the Conn-BG-2 is expiring on 15.07.2025.

- e) On 31.01.2022, CTUIL intimated the grant in enhancement of Stage-II Connectivity by 50 MW to Azure to the already granted 120 MW Stage-II Connectivity, with the start date of Connectivity on 22.07.2023 on the same dedicated transmission system as the Connectivity granted for 120 MW.
- f) On 22.09.2022, CTUIL revised the earlier intimations of Stage-II Connectivity, with the acquisition of SPV by M/s ReNew Transmission Venture Pvt. Ltd., the bay number 201 at Gadag PS was allotted to Azure with a firm Connectivity date of 17.09.2023.
- g) On 02.02.2023, Halvad submitted Applications seeking Connectivity for 130 MW at the Gadag PS with a start date of Connectivity as 15.11.2024.
- h) Matter regarding grant of Stage-II Connectivity to M/s Halvad Renewables Pvt. Ltd. was discussed in the 17th CMETS-SR meeting, held on 31.03.2023, where it was agreed that M/s Halvad may be granted Stage-II Connectivity through sharing the dedicated Connectivity transmission Infrastructure of M/s Azure Power India Pvt. Ltd. However, intimation for the grant of Stage-II Connectivity shall be issued only after submission of an agreement between M/s Halvad and M/s Azure Power for the sharing of dedicated connectivity transmission Infrastructure.
- i) On 03.05.2023, Halvad exercised its option for the transition of Connectivity of 130 MW from Connectivity Regulations, 2009, to the GNA Regulations, 2022 under Reg. 37.1. Based on it, system studies were carried out, wherein it was found that the same may be granted with the ISTS Network Expansion scheme in the Western Region & Southern Region for the export of surplus power during a high RE scenario in the Southern Region, which includes the Narendera New – Pune 765 kV D/c line. Accordingly, it was proposed that 130 MW of Connectivity may be granted under GNA Regulations on existing/under-construction transmission systems, with a start date of 31.03.2025, with the availability of a common transmission system required for the effectiveness of GNA.
- j) Further, the 220kV bay Gadag PS for termination of DTL is being implemented under ISTS. In case CoD of the bay at ISTS Pooling Station is achieved as per the timeline for grant of Connectivity to the Generator under CERC Connectivity Regulations 2009, and generation is delayed, in such a case, any liability for commissioning of the bay under ISTS shall be governed by applicable CERC Regulations/directions.
- k) On 02.02.2024, Central Electricity Authority ('CEA') issued minutes of the meeting held on 08.01.2024 to discuss the issues related to the sharing of 220 kV bay between Azure and Halvad at Gadag PS. In the meeting, it was agreed that, if Azure and Halvad mutually

agree, then Halvad may construct the shared dedicated transmission line on behalf of Azure from its pooling station to Gadag PS. The relevant extract of the minutes of the meeting reads as below:

“

After deliberation following was agreed:

- *HALVAD and AZURE to submit the sharing agreement to CTUIL by 31st January 2024.*
- *If both parties (AZURE and HALVAD) mutually agree, then HALVAD may construct the shared dedicated transmission line on behalf of AZURE from its pooling station to Gadag PS. All necessary approvals/clearances for the construction of the dedicated transmission line would be taken by AZURE. Under this arrangement, there shall be no requirement for change in grant of Connectivity. Both HALVAD and AZURE to work in cooperation towards implementation of the dedicated transmission system to ensure that RE power does not get bottled up.*
- *Any liability for transmission charges towards delay in commissioning of the generation projects shall be as per prevailing CERC Regulations.*

.....”

- l) On 04.09.2024, Halvad wrote a letter to CTUIL regarding issues being faced by it in the sharing of Connectivity granted along with Azure at Gadag PS and further requested to consider granting Connectivity to Halvad Renewables Pvt Ltd for 130 MW at Gadag SS and allow them to construct the Halvad-Gadag 220 kV transmission line. Halvad conveyed that they will share the transmission line with Azure whenever they are ready with their plan for their project(s), and the Sharing Agreement can be signed at that point in time.
- m) On 27.01.2025, CTUIL intimated the in-principle grant of Connectivity for 130 MW to Halvad through the sharing of dedicated Connectivity infrastructure of M/s Azure Power India Pvt. Ltd.
- n) On 24.02.2025, contrary to the above, Halvad and Azure executed a Sharing Agreement wherein, Halvad was designated as Lead Generator and agreed to construct the dedicated 220kV D/c transmission line (stringing on single circuit), i.e., Pooling Station at the switchyard of Halvad's generating station to Gadag PS 220kV S/c line, including terminal bays at the generation pooling station.
- o) On 05.03.2025, Halvad requested CTUIL to make the necessary amendment in the In-Principle grant of Connectivity to enable Halvad to apply for approval under Section 68 & 164 of the Electricity Act, 2003 to CEA/ Ministry of Power. Halvad reiterated the same vide its letter 13.05.2025 to CTUIL. It was further informed that Halvad already approached this Commission in the present petition to consider such a request.
- p) On 20.05.2025, CTUIL intimated the final grant of Connectivity for 130 MW to Halvad with

a start date of Connectivity as 31.12.2026.

- q) On 29.05.2025, CTUIL replied to Halvad's letter dated 13.05.2025, clarifying that Connectivity to Halvad Renewables Pvt. Ltd. has been granted through the sharing of the dedicated transmission system of Azure, and the bay has already been allocated to Azure at Gadag. With the present arrangement/ priority of the applications, the bay allocated to Azure Power India Pvt. Ltd. cannot be allocated to M/s Halvad Renewables Pvt. Ltd. Further, the matter regarding the implementation of a dedicated connectivity line and approval under section 68 was deliberated and decided in the meeting held on 08.01.2024 under the chairmanship of Member (PS), CEA. The same was also reiterated by CTU vide email dated 30.04.2025.
- r) On 20.06.2025, pursuant to the final grant of Connectivity for 130 MW dated 20.05.2025, Halvad entered into a Connectivity Agreement with CTUIL in terms of Regulation 10.3 read with 37 of GNA Regulations, 2022.
- s) The GNA Regulations, 2022, introduced a regulatory mechanism to facilitate the sharing of connectivity infrastructure, particularly terminal bays, switchyards, and dedicated transmission lines, between multiple generating companies and applicants seeking access to the ISTS.
- t) The original grantee/ applicant being allocated the terminal line bay at the ISTS end is required to submit Conn-BG2. Thereafter, based on the in-principle grant of Connectivity under Regulation 7.1 or 7.2 of the GNA Regulations, 2022, the respective Applicants are required by CTUIL to formalise a mutual agreement, i.e., FORMAT-CONN-SHARE, for the sharing of the dedicated connectivity infrastructure and terminal line bay at the ISTS end. This agreement is subsequently submitted in accordance with Para 5(viii) of the Detailed Procedure, 2022.
- u) The above is the usual procedure by which bay sharing takes place between two entities. The above process, though, is analogous to the process under the second part of Regulation 5.6, except for the differentiation that in Regulation 5.6, a terminal bay is offered to the applicant in sharing with the Connectivity Grantee and in the above process, the two applicants consent to share the bay at the time of grant of Connectivity itself during the CMETS Meetings.
- v) The above process allows CTUIL to optimise the use of limited terminal bays and avoid duplication of infrastructure in ISTS. Importantly, such shared connectivity does not amount to any post-facto modification or deviation from the GNA Regulations, but is

rather the natural consequence of coordinated infrastructure planning conducted through CMETS.

- w) The same methodology was followed in the present case also whereby the Connectivity was granted to Halvad was not on the basis of an application filed specifically under Regulation 5.6 of the GNA Regulations, 2022 but when during the CMETS, CTUIL found that the infrastructure to be developed by Azure, which had already been granted Stage-II Connectivity, could be efficiently utilized by routing Halvad's Connectivity through Azure's pooling station and dedicated transmission system. Accordingly, CTUIL granted in-principle Connectivity to Halvad through Azure's infrastructure, subject to the execution of a sharing agreement and compliance with the applicable provisions of the GNA Regulations, 2022.
- x) A meeting was convened by the CEA on 08.01.2024, to discuss issues relating to the implementation of the shared dedicated transmission line. In that meeting, Azure agreed that Halvad may undertake construction of the dedicated transmission line on its behalf, and CEA clarified that such an arrangement — if mutually agreed between the parties — would not necessitate any change in the grant of Connectivity. The infrastructure responsibility under the regulatory framework would continue to remain with Azure.
- y) Sharing Agreement, was based on commercial terms between the parties and was not aligned with the regulatory character of the Connectivity grant recorded in CMETS and the in-principle grant issued by CTUIL.
- z) Azure has been granted Connectivity and allocated bays at Gadag PS, based on the priority of the applications, as per the date and time stamp of receipt of the application. Therefore, a terminal line bay at the ISTS end cannot be allocated to an applicant of lower priority (here, Halvad) for the grant of Connectivity through the sharing of connectivity infrastructure and terminal line bay at the ISTS end.
- aa) Furthermore, as per Regulation 8.2 of the GNA Regulations, an applicant seeking Connectivity through the sharing of terminal bays or dedicated transmission infrastructure developed by another grantee is exempt from furnishing Conn-BG2. In this case, Halvad was not required to furnish a Conn-BG2, since such a bank guarantee had already been submitted by Azure.
- bb) Furthermore, as per LTA intimation dated 16.02.2023, the start date of Connectivity for Azure (120 MW) is 16.07.2024. As per the intimation for the final grant of Connectivity to Halvad (130 MW), the start date of Connectivity is 31.12.2026, subject to the availability

of the common transmission system required for the grant of connectivity.

- cc) Both applicants have been granted Connectivity under the transmission scheme “ISTS Network Expansion scheme in WR & SR for export of surplus power during high RE scenario in SR” i.e. the Narendra – Pune, 765 kV transmission scheme. As per the 50th JCC meeting held on 26.06.2025, the above transmission system is now expected to be commissioned by December 2025, and the Minutes of the Meeting are awaited. With the commissioning of the above-mentioned transmission scheme, the grant of Connectivity/ GNA to Azure will be made effective. Under such conditions, the bay allocated to Azure cannot be allocated to Halvad.
- dd) It is reiterated that CTUIL has no power under the GNA Regulations, 2022, to modify or reallocate the scope of connectivity infrastructure after the issuance of the in-principle or final grant. The same may lead to issues in compliance with the provisions under GNA Regulations, 2022, especially those pertaining to monitoring progress of the applicant’s project and effectiveness of Connectivity/ GNA. Once the CMETS process is concluded and Connectivity is granted on that basis, any subsequent request to change the mode of Connectivity—such as substituting the shared arrangement with a direct bay allocation—would require regulatory intervention. Any deviation or difficulty in implementation falls within the exclusive jurisdiction of this Commission under Regulation 42 and cannot be unilaterally addressed by CTUIL.

Submissions of Petitioner

8. Petitioner vide affidavit dated 18.08.2025 has filed its rejoinder to the CTUIL’s reply dated 11.08.2025, reiterating its earlier submission along with the following additional submission:
- a) Section 38 of the Electricity Act, 2003 delineates the statutory functions of CTUIL, which include not merely the preparation of system-level transmission plans, but also the planning and coordination of the ISTS in consultation with generating companies. This statutory mandate imposes a clear and unequivocal obligation upon CTUIL to engage in meaningful coordination with all Connectivity grantees. Therefore, to fulfil its statutory obligation in both letter and spirit, CTUIL ought to have constructively addressed the evolving circumstances arising from the Sharing Agreement dated 24.02.2025.
- b) CTUIL has inexplicably refused to give effect to the said mutual arrangement by not recognising the Petitioner as the entity authorised to construct, own and operate the DTL.

CTUIL has erroneously assumed that the bay allocated to APIPL cannot be allocated to the Petitioner, as CTUIL's submission is contrary to Regulation 42 of the GNA Regulations, which confers upon this Commission the plenary authority to address and resolve any difficulty that may arise in giving effect to the provisions of the Regulations.

- c) The present Petition precisely seeks regulatory intervention from this Commission under Regulation 42 for the express purpose of ensuring that the grant of Connectivity reflects the mutual commercial arrangement between the Petitioner and APIPL as embodied in the Sharing Agreement dated 24.02.2025. The Petitioner submits that such modification directly promotes the objectives of the GNA Regulations by:
- Facilitating timely execution through the entity best positioned in terms of readiness, financing, and project preparedness; and
 - Ensuring coordinated and efficient development of the ISTS in line with Section 38 of the Electricity Act, 2003.

Hearing on 02.09.2025

9. Relevant extract of the RoP of hearing dated 02.09.2025 is as under:

“.....

3. In response to the specific query of the Commission regarding the arrangement agreed under the Sharing Agreement between the Petitioner and Azure being in departure from decision taken at meeting held on 8.1.2024, the learned counsel and representative of the Petitioner submitted that if the Petitioner were to construct the dedicated transmission line on behalf of Azure, it would merely be a contactor and tying up of finances in such case would not be possible. They further submitted that the Wind Project of Azure has been delayed and till date, the Petitioner is not made aware of the location of Azure's pooling station and accordingly, under the Sharing Agreement, that parties have agreed that the Petitioner shall be constructing and owning the dedicated transmission line from its pooling station to Gadag PS and for injection of its power, Azure shall tap in at the mutually agreed connection point (Switching SS) to be constructed by the Petitioner.

4. After hearing the learned counsels for the Petitioner and the Respondent, CTUIL, the Commission found it appropriate to hear and/or have the benefit of views of Respondent No.2, Azure, on the certain aspects involved in the matter and accordingly, directed Respondent No.2, Azure, to file the following clarification/ information, on an affidavit, within three weeks:

- (a) Views on the Petitioner's proposal for development of the dedicated transmission line.*
- (b) Status of implementation of its Wind Power Projects for the 170 MW connectivity.*
- (c) Whether Azure has taken any steps towards the development of the dedicated transmission line, along with the location of its pooling station?*

5. The Commission also directed the Petitioner to provide the status of implementation of its Project in respect of the 130 MW connectivity granted to it, on an affidavit, within three weeks.

.....”

Submission of the Petitioner

10. Petitioner vide additional affidavit dated 25.09.2025 has submitted the reply to the queries in compliance with the RoP dated 02.09.2025 as below:

a) The present status of implementation of its 130 MW project is as under:

Wind Turbine Generator (WTG) Procurement:

- Subsequent to Request for Quotation (RFQ) for procurement of WTGs by EDF Renewables, Parent Company of the Petitioner, on 27.05.2025, the techno-commercial offers have been received, and discussions on contracts/ term sheets are presently underway with two shortlisted bidders.
- The award of contract with respect to the WTG will be undertaken expeditiously upon obtaining clarity regarding the availability of the evacuation system, thereby ensuring that the procurement process is aligned with the readiness of the associated transmission infrastructure, and the same is contingent on the outcome of the present Petition.

Transmission Route Survey:

- Regarding the establishment of the dedicated transmission line (DTL), a formal order has been placed on a Qualified Consultant for undertaking the route alignment and survey works in accordance with the applicable technical and regulatory requirements.
- Pursuant thereto, the consultant has already carried out the preliminary route survey along the identified corridor and has submitted its initial report to the Petitioner.
- The preliminary survey findings are presently under review and shall be utilised as the foundational basis for undertaking detailed route optimisation after securing permission from this Commission to allow the Petitioner to build and own the DTL and procure the right of way (RoW) and other clearances.

Transmission Line (Balance of Plant):

- The Petitioner has issued a detailed Request for Proposal (RFP) dated 04.07.2025 for the design, supply, erection, testing and commissioning of the 220 kV EHV transmission line.
- Techno-commercial discussions with bidders are at an advanced stage, and the award of the contract will be undertaken expeditiously upon obtaining clarity regarding the availability of the evacuation system.

Technical & Scientific Studies:

- The Petitioner has awarded contracts for multiple critical studies required for project viability and regulatory compliance, including:
 - Hydrological Study - Notice to Proceed issued on 05.09.2025 to M/s Kala Impex.
 - Geotechnical and Contour Studies - being performed by M/s Geo-Design.
 - Grid Studies - underway by M/s IPR Technologies Private Limited to perform services related to Grid compliance studies.

Land Acquisition:

- The Petitioner has made substantial progress in securing the land required for the establishment of the 130 MW Project. To date, more than 70% (25 parcels) of land has been successfully acquired for the installation of wind turbine generators.
- Further, with respect to the Pooling Substation (PSS) site, a suitable location has already been identified, and the process of title verification and due diligence is presently in its advanced and concluding stage.

Submission of the Respondent No. 2

11. Respondent No. 2 - Azure Power India Private Limited vide affidavit dated 17.10.2025 has submitted as below:

- a) Out of the total 170 MW capacity allotted for Connectivity, Azure has relinquished 50 MW and surrendered the same to CTU vide application dated 11.04.2025, which the CTU has accepted vide its Letter No. C/CTU/S/07/1200003534-R dated 26.09.2025.
- b) With respect to the balance 120 MW capacity, Azure has challenged the tariff adoption before the APTEL vide Appeal No. 330 of 2024 titled 'Azure Power India Private Limited & Anr. Vs CERC & Ors.'
- c) Azure submits that it has no objection to the Petitioner's proposal to own and develop the dedicated transmission line in terms of the Connectivity Sharing Agreement dated 24.02.2025 for undertaking the development of the dedicated transmission line.
- d) Commission is requested to direct Respondent No. 1, i.e., CTUIL, to release the Conn. BG-2 amounting to Rs. 2,11,76,500/- submitted by Azure, which shall be duly substituted by the Conn. BG to be furnished by the Petitioner, in accordance with the applicable procedures.
- e) Azure reiterates its commitment to fully cooperate with the Petitioner and Respondent

No. 1 in facilitating all necessary regulatory, technical, and commercial actions required for the implementation of the dedicated transmission infrastructure, in accordance with the provisions of the Sharing Agreement dated 24.02.2025.

Hearing dated 27.10.2025

12. Relevant extract of the RoP of hearing dated 27.10.2025 is as under:

“

Learned counsel further submitted as under:

.....

(d) Since the Petitioner has made substantial progress and is willing to develop the Project as the Lead Generator, the Petitioner shall comply with all applicable requirements, including submission of the Bank Guarantees (BGs) to the CTUIL, in accordance with the relevant Regulations. However, since the Petitioner is required to commence the process afresh, a period of 24 months (tentatively October 2027) be granted to the Petitioner for the development of the dedicated transmission infrastructure as the Lead Generator from the date of the order.

2. In response to a specific query of the Commission regarding any specific prayer in the Petition for such an extension of 24 months, the learned counsel for the Petitioner sought to rely upon the prayer made at paragraph 25(d) and submitted that the Petitioner has prayed to exclude the time period with respect to the start date of connectivity for the Petitioner, accounting for delay arising due to the present litigation, thereby ensuring the Petitioner does not suffer any adverse regulatory consequences or financial penalties due to circumstances beyond its control. He further added that the start date of the Petitioner's connectivity is presently December 2026.

3. Learned counsel for the Respondent, CTUIL, submitted that CTUIL has no power under the GNA Regulations to modify or re-allocate the scope of connectivity infrastructure after the issuance of the in-principle or final grant. Learned counsel submitted that the Sharing Agreement executed between the Petitioner and Azure, wherein the Petitioner has been designated as a Lead Generator, is not only contrary to the decision taken in the meeting convened at CEA way back on 8.1.2024, but also the in-principle grant of connectivity. Learned counsel further submitted that there cannot be any extension of the start date of connectivity, and CTUIL may be permitted to file its brief note of submissions on such request made by the Petitioner by placing reliance on the prayer at paragraph 25(d).

4. Considering the submissions made by the learned counsels for the parties, the Commission permitted the parties to file their respective written submissions, if any, within ten days, with a copy to the other side.

5. Subject to the above, the Commission reserved the order in the matter.”

Submissions of Respondent No. 1- CTUIL

13. On 07.11.2025, CTUIL submitted a Note on the issue of two years period sought by Halved for the construction of the dedicated transmission line as under:

a) There is no provision in the GNA Regulations, 2022, regarding the deferment of the start date of Connectivity or the deferment of transmission charges for the mismatch period.

Halvad's prayer is contrary to the express provisions of the GNA Regulations, 2022. Reliance in this regard may be placed on the case of M/s Saurya Urja Company of Rajasthan Ltd. v. CERC & Anr., Appeal No. 116 of 2023, whereby the Appellate Tribunal in its Judgment dated 24.06.2025, held that, liability to pay transmission charges directly flows from the regulatory framework, hence the generator is liable to pay transmission charges for the period of commissioning mismatch.

- b) Further, in any event, the delay, if any, occasioned in commissioning of the dedicated transmission system is on account of (a) delay in filing the present petition and (b) execution of the Sharing Agreement dated 24.02.2025 in contravention of the provisions of the GNA framework and contrary to the clear deliberations recorded in the minutes of the meeting dated 08.01.2024 held between CEA, Halvad and Azure.
- c) On 14.09.2023, CTUIL issued the minutes of the 21st CMETS-SR held on 18.08.2023; wherein it was agreed that M/s Halvad may be granted Stage-II Connectivity through sharing dedicated Connectivity transmission Infrastructure of M/s Azure Power India Pvt. Ltd. i.e. through sharing of Generation PS of M/s Azure Power India Pvt. Ltd. – Gadag PS 220 kV S/c line on D/c tower – under scope of grantee.
- d) Halvad was required to avail Connectivity on a shared basis strictly in terms of Regulation 5.7 of the GNA Regulations, 2022, read with Para 5(vii) of the Detailed Procedure for Connectivity and GNA to ISTS, which governs the sharing of dedicated infrastructure between connectivity grantees.
- e) Despite the clear direction recorded during the CEA meeting held on 08.01.2024 and the grant of in-principle Connectivity issued on 27.01.2025, Halvad approached this Commission only on 26.03.2025, i.e., after more than one year's delay, without providing any justification for the delay.
- f) The chronology clearly demonstrates that the delay arose from the Petitioner's commercial decisions and non-compliance, rather than any procedural or regulatory impediment. Accordingly, Halvad cannot claim exclusion of the period spent in litigation as regards the start date of Connectivity, nor can it seek relaxation of the statutory timeline mandated under the GNA Regulations, 2022, for readiness of the dedicated transmission infrastructure beyond the start date of Connectivity, i.e., 31.12.2026.
- g) The pendency of the present Petition before this Commission cannot operate to suspend or extend the statutory timelines prescribed under the GNA Regulations, 2022, for completion of the dedicated transmission infrastructure or start date of Connectivity or

the obligation to pay transmission charges. In this regard, reliance is placed on the judgment of the Supreme Court in Solar Energy Corporation of India Ltd. v. Wind Four Renergy Pvt. Ltd., Civil Appeal No. 2451 of 2022 (decided on 16.10.2024), wherein it was held that pendency of proceedings before a regulatory forum or appellate authority cannot be a ground for extension of commissioning or project timelines.

- h) Further, the timeline for completion of the dedicated transmission line is inextricably linked to the start date of Connectivity specified in the final grant issued by CTUIL. Under regulation 8(1) read with regulation 9(2) of the GNA Regulations, 2022, the Connectivity grantee is obligated to ensure the dedicated connectivity infrastructure is ready by the start date itself. Non-readiness beyond this date triggers regulatory consequences, including but not limited to payment of transmission charges.
- i) In conclusion, Halvad had a clear opportunity to proceed with construction immediately after the CEA's direction dated 08.01.2024, but instead chose to execute a conflicting sharing agreement and delay approaching this Commission by over a year. Hence, the plea for an additional period, excluding the statutory Connectivity start date of 31.12.2026, is untenable.

Submissions of Petitioner:

14. On 08.11.2025, Petitioner filed a written submission as under:

- a) The Petitioner vide its email dated 01.08.2023 proposed to CTUIL that the Petitioner be permitted to undertake the construction of the DTL, in view of the uncertainty regarding timelines of construction of DTL leading to persistent delay due to reasons beyond the control of the Petitioner. The Petitioner also requested CTUIL's intervention to convene a joint meeting of both parties in this regard.
- b) CTUIL was fully apprised of the operational and procedural challenges encountered by the Petitioner owing to the peculiar circumstances arising out of the shared connectivity arrangement with APIPL. These impediments, which materially affected the Petitioner's ability to proceed with statutory approvals and financing activities, were again formally brought to CTUIL's attention through the Petitioner's letter dated 04.09.2024.
- c) While not taking any action on the proposal of the Petitioner to construct the DTL instead of APIPL, CTUIL belatedly, in its reply dated 11.08.2025, finally divulged that CTUIL does not have any power under the GNA Regulations, 2022, to modify or reallocate the scope of connectivity infrastructure and left it to this Commission to issue relevant orders.

- d) In the event the prayers of the Petitioner are accepted, the Petitioner undertakes to furnish Conn-BG 2 in accordance with Regulation 8.2 of the GNA Regulations, along with the discharge of all other statutory and contractual obligations that are incumbent upon an entity entrusted with the responsibility of constructing, owning and operating the DTL.
- e) The delay in achieving the start date of Connectivity, i.e., 31.12.2026, is solely attributable to factors and procedural impediments beyond the control of the Petitioner.
- f) The Petitioner's ability to proceed further was impeded due to prolonged and unavoidable delays on the part of APIPL in finalising and executing the Connectivity Sharing Agreement, which was a pre-condition to the grant of Connectivity by CTUIL. The Petitioner initiated discussions with APIPL as early as 17.05.2023 and even submitted an approach note on 24.05.2023. Thereafter, the Petitioner, vide emails dated 26.07.2023 and 28.07.2023, requested APIPL to expedite the finalisation of the Sharing Agreement. APIPL vide its email dated 18.08.2023, cited the requirement of fresh internal due diligence and other delays and informed the Petitioner that APIPL will require two more months to conduct due diligence. Thereafter, detailed deliberations were held between APIPL and the Petitioner on the draft MoU.
- g) On 08.12.2023, the Petitioner addressed a comprehensive letter to the CEA, meticulously setting out the justifications and rationale for permitting the Petitioner to undertake the construction of the DTL.
- h) Subsequently, on 27.01.2024, the Petitioner issued an email to APIPL reiterating its concern regarding the undue delay by APIPL in finalising and executing the Sharing Agreement, despite APIPL's commitment in the CEA meeting held on 08.01.2024 to sign it by 31.01.2024. The Petitioner highlighted that it had already shared multiple drafts, including the final MoU on 12.12.2023 and had even offered to construct the DTL at its own cost to avoid further delay. This correspondence clearly evidences the Petitioner's bona fide intent and proactive conduct, and that the delay remained entirely beyond the control of the Petitioner.
- i) Pursuant to the same vide email dated 21.02.2024, APIPL again delayed the execution of the Sharing Agreement by introducing new conditions related to the substitution of the Bank Guarantee (BG), which were beyond the Petitioner's control. The decision recorded in the meeting convened on 08.01.2024 did not contemplate any substitution of the BGs earlier furnished by APIPL to CTUIL.

- j) Thereafter, on 05.03.2024, the Petitioner informed APIPL and CEA that despite APIPL's commitment in the meeting held on 08.01.2024 to sign the Sharing Agreement by 31.01.2024, no progress had been made. The Petitioner highlighted that this prolonged delay had rendered its project inexecutable and severely impacted its timelines. Consequently, the Petitioner conveyed that it would no longer undertake construction of the DTL on behalf of APIPL and requested that APIPL share its construction schedule.
- k) It is to be noted that since the Petitioner had no locus standi to seek a regulatory intervention in the absence of any connectivity granted/issued to the Petitioner, the Petitioner was left with no choice but to seek assistance from CEA and CTUIL for the resolution of the issues. Further, the Petitioner, vide its email dated 12.06.2024, once again followed up diligently with APIPL seeking their comments and concurrence on the draft Connectivity Sharing Agreement, which had earlier been furnished to APIPL vide the Petitioner's email dated 05.03.2024. However, APIPL did not respond to the said correspondence.
- l) Pursuant to the above, the Petitioner, left with no recourse, vide its letter dated 04.09.2024, apprised CTUIL of the continued delay by APIPL in finalising the Sharing Agreement and initiating construction of the DTL, despite repeated follow-ups and the CEA's intervention.
- m) On 27.09.2024, CTUIL issued an "Advisory for Sharing of Dedicated Connectivity Infrastructure by Connectivity Applicants/Grantees under the GNA Regulations", wherein it was clarified and decided that Connectivity could be granted on a shared basis without awaiting the prior submission of the executed Sharing Agreement between the concerned parties.
- n) Subsequently, on 09.12.2024, the Petitioner, vide its letter, informed CTUIL that despite best efforts, no commercial terms have been reached with APIPL, therefore requested that the start date of Connectivity be mentioned as 31.12.2026.
- o) Thereafter, on 27.01.2025, CTUIL intimated the in-principle grant of Connectivity to the Petitioner with respect to the 130 MW Project on a sharing basis with APIPL. It is to be noted that CTUIL neither accepted nor denied the Petitioner's request to allow it to construct the DTL to avoid further delay.
- p) After rigorous insistence by the Petitioner citing the in-principle Connectivity granted to it, APIPL subsequently proposed that the responsibility for constructing the DTL may be

taken over by the Petitioner. The Petitioner readily agreed to the arrangement, and accordingly, the Sharing Agreement was executed on 24.02.2025.

- q) The Petitioner promptly submitted the executed Sharing Agreement to CTUIL on 26.02.2025 and, by way of its letter dated 05.03.2025, formally requested CTUIL to amend the grant of Connectivity so as to designate the Petitioner as the Lead Generator. The said request was essential since, without being recognised as the entity which owns and constructs the DTL, among other obligations as stated under the GNA Regulations, 2022, the Petitioner would be precluded from obtaining statutory approvals under Sections 68 and 164 of the EA, 2003, which are mandatory for undertaking the construction of the DTL.
- r) The Petitioner has already taken preparatory steps toward project implementation, but cannot proceed with financial closure or physical construction until the regulatory clarity regarding modification of the grant of Connectivity is obtained.
- s) Therefore, in light of the foregoing submissions, the Petitioner humbly requests to extend the start date of Connectivity from existing 31.12.2026 to October 2027, enabling the Petitioner to develop the DTL and implement its Project and in the interest of keeping a parity with similarly placed Connectivity grantees who are allowed the same time (approx. 24 months from the issuance of in-principle grant of Connectivity) to complete project activities.
- t) A comprehensive table detailing and justifying the 24-month schedule necessary to achieve the revised start date of Connectivity is furnished below for the kind consideration of this Commission.

S.No.	Actions	Time Period
1.	For the DTL construction, approvals under Sections 68 and 164 of the EA, 2003, from CEA and the Ministry of Power. (It is pertinent to note that this first step towards the DTL construction can only be undertaken post the grant of lead generator status.	3-4 months
2.	DTL construction (17 KM), considering monsoon and right-of-way challenges.	12 months
3.	For the manufacturing and delivery of WTGs post-firm order.	7-8 months
4.	For the erection of 34 WTGs (at 4 WTGs per month)	9 months
5.	For commissioning and obtaining First Time Charging (FTC) certificates from Southern Regional Load Despatch Centre (SRLDC)	2 months
Assuming that, in the interest of time, the aforementioned activities are undertaken concurrently to the extent practicable, the cumulative duration for completion of all requisite works is estimated to be approximately 24 months post the clarity on the Petitioner being granted the lead generator status.		

- u) Further, it is submitted that this is the fit case for this Commission to exercise its power jurisdiction under “Power to Relax” and “Power to Remove Difficulty” to consider the prayers of the Petitioner to extend the start date of Connectivity. In this regard, reliance is placed on the Order dated 28.02.2024 passed by this Commission in Petition No. 72/MP/2024 in the matter of NTPC Limited v. Grid Controller of India & Ors. wherein the Commission has categorically held that the power to relax and the power to remove difficulties can be exercised when undue hardship and difficulty are caused while applying the rules or regulations.
- v) Further, the present litigation has also taken some time in resolving the issues raised in the petition; hence, the time spent in disposing of the present petition may also be considered by this Commission.
- w) CTUIL’s reliance on the Judgement dated 24.06.2025 passed by the APTEL in Appeal No. 116 of 2023 in the matter of M/s Saurya Urja Company of Rajasthan Ltd. v. CERC & Anr., in its note dated 07.11.2025, is not applicable to the facts of the present case. The aforesaid judgment pertains to the issue of liability towards payment of transmission charges on Solar Park Developer due to delay in commissioning of one individual solar project within the solar park, whereas the present Petition concerns the grant of an extension of the start date of Connectivity, sought solely to obviate the imposition of penalties on account of non-utilisation of Connectivity due to reasons beyond the Petitioner’s control. It is further submitted that the Petitioner has not sought to evade or diminish its liability to pay transmission charges; rather, the relief sought is limited to a reasonable extension of time in order to align project timelines with ground realities and ensure regulatory compliance.
- x) In view of the above, it is prayed to:
 - i. Consider the genuine constraints and procedural bottlenecks faced by the Petitioner
 - ii. Allow the present Petition and direct CTUIL to amend the Connectivity grant dated 27.01.2025 and subsequently granted final grant of Connectivity dated 20.05.2025, recognising Petitioner as the entity owning and building the DTL and the Lead Generator in terms of the Sharing Agreement dated 24.02.2025;
 - iii. Recognise that the delay in achieving the start of Connectivity is not attributable to the Petitioner and
 - iv. Grant an extension of till October 2027 i.e., 10 months or as deemed just, equitable and appropriate in the facts and circumstances of the present case, to the start date of connectivity i.e., 31.12.2026, in exercise of the Commission’s powers to relax and

remove difficulties under the GNA Regulations, 2022 to ensure Project's timely and sustainable completion without penal or regulatory prejudice to the Petitioner.

Analysis and Decision

15. We have considered the submissions of the Petitioner and Respondents and perused the facts available on record.
16. The Petitioner has submitted that it was granted in-principle Connectivity for 130 MW (Wind) at Gadag on a shared basis with Azure Power- another Connectivity grantee vide CTUIL letter dated 27.01.2025. A Sharing Agreement was signed on 24.02.2025 between Petitioner and Azure Power, under which Petitioner will own and develop the dedicated transmission system while Azure Power will have the right to tap into the system to inject its 170 MW. Petitioner has requested that the Connectivity Grant Letter be amended to recognise it as the Lead Generator responsible for developing the dedicated transmission infrastructure, in line with the Sharing Agreement.
17. Petitioner further requested to grant the time of 24 months (tentatively October 2027) for the development of the dedicated transmission infrastructure as the Lead Generator from the date of the Order and accordingly sought an extension of 10 months (or as deemed just, equitable and appropriate in the facts and circumstances of the present case), to the start date of connectivity i.e., 31.12.2026.
18. Respondent - CTUIL submitted that CTUIL, as the Nodal Agency under the GNA Regulations, has no statutory or regulatory power to effect post-facto modification of in-principle Connectivity once it has been granted. CTUIL further submitted that, as per the In-Principle Connectivity grant for 130 MW issued to the Petitioner, the construction and ownership of the dedicated transmission line was specifically under the scope of Azure, which already held Connectivity for 170 MW at the same location. On 24.02.2025, contrary to it, Petitioner and Azure executed a Sharing Agreement wherein, Petitioner was designated as Lead Generator and agreed to construct the dedicated 220kV D/c transmission line and further requested CTUIL to make necessary amendment in the In-Principle grant of Connectivity to enable Petitioner to apply for approval under Section 68 & 164 of Electricity Act, 2003 to CEA/ Ministry of Power.
19. We have considered the submission of the Petitioner and the Respondents, and the issue(s) that arise for our consideration is/are:

Issue 1: Whether direction to CTUIL is required to be given to modify the issued in-principle/ Final grant of Connectivity to the Petitioner by recognising the Petitioner as the entity which shall develop the dedicated transmission infrastructure?

Issue 2: Whether the start date of Connectivity is required to be extended?

The issues are dealt with in the succeeding paragraphs.

Issue 1: Whether direction to CTUIL is required to be given to modify the issued in-principle/ Final grant of Connectivity to the Petitioner by recognising the Petitioner as the entity which shall develop the dedicated transmission infrastructure?

20. Petitioner prayed to direct CTUIL to modify the in-principle grant of Connectivity for 130 MW at Gadag Pooling Station by changing the scope of the dedicated transmission line, accepting the Petitioner as Lead Generator, thereby enabling the Petitioner to obtain necessary approvals and construct the dedicated transmission infrastructure. Petitioner, vide written submissions dated 08.11.2025, submitted that if their prayers are accepted, Petitioner undertakes to furnish Conn-BG 2 in accordance with Regulation 8.2 of the GNA Regulations, along with the discharge of all other statutory and contractual obligations.
21. CTUIL, vide written submission dated 11.08.2025, has submitted that Connectivity was granted to the Petitioner by routing its requirement through Azure's dedicated transmission system as agreed during the 17th CMETS-SR held on 31.03.2023. CTUIL further submitted that Azure has been granted Connectivity and allocated bays at Gadag PS, based on the priority of the applications, as per the date and time stamp of receipt of the application. As per the GNA Regulations and the detailed procedure for Connectivity and GNA, a lower-priority applicant (here, Petitioner) cannot be reassigned a terminal bay that has already been allotted to a higher-priority applicant (here, Azure).
22. Petitioner and Azure executed a Sharing Agreement on 24.02.2025, wherein both parties agreed that Petitioner shall be responsible for the construction of the dedicated transmission line, i.e., the Pooling Station at Halvad's generating station to Gadag PS 220kV S/c line, which was not as per the in-principle grant of Connectivity.
23. Following execution of this agreement, Petitioner, vide its letters dated 05.03.2025 and 13.05.2025, requested CTUIL to amend the in-principle grant of Connectivity to reflect it as the dedicated transmission line developer and enable it to apply for approvals under Sections 68 and 164 of the Electricity Act, 2003. In response, CTUIL, vide letter dated

29.05.2025, informed the Petitioner that the bay at Gadag PS had already been allocated to Azure and that, with the present arrangement/ priority of the applications, the bay allocated to Azure cannot be allocated to the Petitioner.

- 24.** Respondent- Azure vide affidavit dated 17.10.2025 has submitted that out of the total 170 MW capacity allotted for Connectivity, it has relinquished 50 MW vide application dated 11.04.2025, which has been accepted by the CTU, vide Letter dated 26.09.2025. With respect to the balance 120 MW capacity, Azure has challenged the tariff adoption before the APTEL vide Appeal No. 330 of 2024. Azure further submitted that it has no objection to the Petitioner's proposal to own and develop the dedicated transmission line in terms of the Connectivity Sharing Agreement dated 24.02.2025 for undertaking the development of the dedicated transmission line. Azure further requested the Commission to direct CTUIL to release the Conn. BG-2 amounting to Rs. 2,11,76,500/- submitted by Azure, which shall be duly substituted by the Conn. BG to be furnished by the Petitioner, in accordance with the applicable procedures.
- 25.** We have considered the submissions of Petitioner and Respondents. We have perused the in-principle grant Connectivity issued to the Petitioner as under:

B Connectivity Details		
8.	ISTS Connectivity details	:
i.	Point at which connectivity is granted	: Gadag PS
ii.	Voltage level of allocated terminal bay	: 220kV
iii.	Terminal bay at ISTS end already available	: No
iv.	Terminal bay at ISTS end to be constructed under ISTS	: Yes [Bay no. has already been allocated to M/s Azure Power India Pvt. Ltd. for application nos. 1200003497 (120 MW) & 1200003534 (50 MW)]
v.	Bay no. and SLD	: 201 [SLD Enclosed]
vi.	Capacity (MW) for which connectivity is granted	: 130

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Page 2 of 8

Intimation No. CTU/S/5/Conn/INT-1A-02-30 00015

9.	Dedicated Transmission Line (DTL)	:	Connectivity through sharing of dedicated Connectivity infrastructure of M/s Azure Power India Pvt. Ltd., granted Connectivity at Gadag PS for application nos. 1200003497 (120 MW) & 1200003534 (50 MW) i.e. Pooling Station at switchyard of M/s Azure Power India Pvt. Ltd. at Gadag-Gadag PS 220kV S/c line including terminal bays at generation pooling station- all the arrangement under the scope of applicant.
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As per the above, Petitioner has been granted Connectivity at an ISTS bay at Gadag, which has been allocated to Azure. We note that Azure was granted Stage-II Connectivity vide intimation dated 29.12.2021 as under:

Intimation for Grant of Stage-II Connectivity

1. Intimation No : CTU/S/5/St-II/1200003497
Date : 29.12.2021
2. Ref. Application No. : 1200003497
Date : 21.10.2021
3. Name of the Applicant : Azure Power India Private Limited
4. Address for Correspondence : Southern Park, 5th Floor, D-II, Saket Place, Saket, New Delhi – 110017, India
5. Location of the Generating Station : Abbigeri and Vicinity, Gadag and Koppal, Karnataka
Latitude : 15°31'16.55"N
Longitude : 75°46'46.40"E
6. Nature of the Applicant : Generator (Wind)
7. **Details for Stage-II Connectivity granted**
 - 7a Capacity (MW) for which connectivity is granted : 120 MW
 - 7b ISTS sub-station and bay at which Connectivity is granted : Gadag PS
[Transmission system corresponding to Gadag REZ is under bidding. Bay no. shall be informed after finalization of SLD by TSP]
 - 7c Connectivity System : Transmission System
Dedicated Transmission System for Connectivity
 - Generation Pooling Station of M/s Azure Power India Pvt Ltd – Gadag PS 220kV S/c line on D/c tower * including terminal bays at generation pooling station - **under the scope of applicant**
 - 220kV bay at Gadag PS end for termination of above dedicated line - **under the scope of ISTS****Common Transmission System for Connectivity - under ISTS**
 - Establishment of 1x500 MVA, 400/220kV Gadag PS
 - Gadag PS – Narendra (New) 400kV (high-capacity equivalent to quad moose) D/c line
 - 1x125 MVA, 420kV bus reactor at Gadag PS
 - 7d Date from which Connectivity is granted : 15.06.2023 or availability of Common Transmission System for Connectivity, whichever is later.

26. CTUIL has submitted that although Petitioner did not apply under Regulation 5.6 (on the bay allocated to Azure), the same was considered under Regulation 5.6 during the CMETS meeting based on the available capacity in the bay allocated to Azure. We have perused Regulation 5.6 and Regulation 5.7 of the GNA Regulations (applicable when the instant Connectivity for Petitioner was under discussion/ in-principle granted, quoted as

under:

“5.6. An Applicant may apply for grant of Connectivity at (i) a terminal bay of an ISTS sub-station already allocated to another Connectivity grantee or (ii) switchyard of a generating station having Connectivity to ISTS, with an agreement duly signed between the Applicant and the said Connectivity grantee or the generating station having Connectivity to ISTS, as the case may be, for sharing the terminal bay or the switchyard and the dedicated transmission lines, if any. The applicable Connectivity Bank Guarantee as per Regulation 8 of these regulations shall be submitted by such Applicant.

5.7. Two or more Applicants may apply for grant of Connectivity at a common terminal bay with an agreement duly signed by such Applicants for sharing the dedicated transmission lines and the terminal bay(s). The applicable Connectivity Bank Guarantee as per Regulation 8 of these regulations shall be submitted by each such Applicant.”

As per the above, Connectivity can be sought on the terminal bay of the ISTS substation by more than one entity, which, in the instant case, consists of the Petitioner and Azure. Since Azure was already granted Stage-II Connectivity at the particular terminal bay, Petitioner’s case falls under Regulation 5.6 quoted above, where it is granted in-principle Connectivity on the same bay as allocated to Azure.

27. We note that the issue of the development of a dedicated line by the Petitioner was discussed at a meeting in CEA on 8.1.2024, where the following was agreed:

“

- HALVAD and AZURE to submit the sharing agreement to CTUIL by 31st January 2024.
- If both parties (AZURE and HALVAD) mutually agree, then HALVAD may construct the shared dedicated transmission line on behalf of AZURE from its pooling station to Gadag PS. All necessary approvals/ clearances for the construction of the dedicated transmission line would be taken by AZURE. Under this arrangement, there shall be no requirement for change in grant of Connectivity. Both HALVAD and AZURE to work in cooperation towards implementation of the dedicated transmission system to ensure that RE power does not get bottled up.”

As per the above, Petitioner should have constructed a dedicated line for Azure.

28. However, Petitioner signed a sharing agreement dated 24.02.2025 with Azure in contravention of what was agreed on 8.1.2024. During the hearing held on 2.09.2025, the Commission enquired the reason for the deviation taken by the Petitioner, to which the Petitioner replied as under:

“In response to the specific query of the Commission regarding the arrangement agreed under the Sharing Agreement between the Petitioner and Azure being in departure from decision

taken at meeting held on 8.1.2024, the learned counsel and representative of the Petitioner submitted that if the Petitioner were to construct the dedicated transmission line on behalf of Azure, it would merely be a contactor and tying up of finances in such case would not be possible. They further submitted that the Wind Project of Azure has been delayed and till date, the Petitioner is not made aware of the location of Azure's pooling station and accordingly, under the Sharing Agreement, that parties have agreed that the Petitioner shall be constructing and owning the dedicated transmission line from its pooling station to Gadag PS and for injection of its power, Azure shall tap in at the mutually agreed connection point (Switching SS) to be constructed by the Petitioner."

29. We have perused the Sharing Agreement dated 24.02.2025 executed between the Petitioner and Azure, quoted as under:

Halvad Renewables Private Limited, a company registered under the Companies Act 2013, having its registered office at 1'st Floor, Eastern Wing, Thapar House, 124 Janpath, New Delhi- 110001 (hereinafter referred as "**Lead Generator/First Party**", which expression wherever the context appears shall unless repugnant to the context meaning thereof) to, mean and include its successors in business and permitted assigns of the **FIRST PART**;

AND

Azure Power India Private Limited, a company registered under the Companies Act 2013, having its registered office at DSC-304, Second Floor, DLF South Court, Saket District Centre, New Delhi – 110017 (hereinafter referred as "**Second Party**", which expression shall, unless repugnant to the context meaning thereof be deemed to, mean and include its successors in business and permitted assigns) of the **SECOND PART**

The parties referred to above shall individually be referred to as a "**Party**" and collectively as "**Parties**".

WHEREAS

- (a) The First Party has been granted 130 MW connectivity at Gadag with start date of connectivity as 31.12.2026. The Second Party has been granted 170 MW connectivity at Gadag PS, Karnataka with start date of est. May'25 (Linked to ATS availability) respectively. The First Party's connectivity has been granted by Central Transmission Utility of India Limited ("CTU"), through sharing of dedicated transmission line of the Second Party.
- (b) As per agreement between the Parties, the First Party has agreed to construct the dedicated 220 kV D/c transmission line (stringing on single circuit) i.e., Pooling Station at switchyard of the First Party to Gadag PS 220 kV S/c line including terminal bays at generation pooling station (hereinafter referred to as "Halvad Gadag Transmission Line"). The First Party shall share with the Second Party the Halvad Gadag Transmission Line, to inject electrical energy at 220 kV level from the installed capacity into the 765/400/230 kV Gadag sub-station.
- (c) The Parties have further agreed to request CTU that the First Party may be granted the right to construct the Halvad – Gadag Transmission Line and the 220 kV bay at Gadag S/S may be allotted to First Party, since it will be constructing the line. The Parties further agree that the First Party shall be the owner of the dedicated connectivity infrastructure and the Second Party may tap in at the mutually agreed location of connecting point which shall be constructed by First party (Switching SS) for injecting power of both the projects (Cumulative 300 MW) to ISTS Gadag PS 220 KV Bay. The Parties further agree that each Party shall bear its own

statutory charges/fees/bank guarantees/transmission charges/penalties with respect to the connectivity allotted to each Party. The details of generating stations of the parties are as under:

Name	Type of Generator	Connectivity Capacity
First Party	Halvad Renewables Private Limited	130 MW
Second Party	Azure Power India Private Limited	170 MW

- (d) The Parties agree that, the 'Lead Generator' shall act on behalf of the Parties to undertake all operational and commercial responsibilities for all the Parties connected at that point following the provisions of the Indian Electricity Grid Code and all other regulations of the Commission, related to Grid security, Scheduling and Dispatch, Collection and payment or adjustment of Transmission charges, deviation charges, congestion and other charges etc.
- (e) The Parties also agree that they shall share, pursuant to the terms of a separate techno-commercial agreement to be mutually agreed between the Parties, all the expenditure that may be incurred in developing the common network, infrastructure, any fee/charges that may be involved in fulfilling any statutory or any other requirement.
- (f) The Parties also agree that once their projects are part/full ready and operational, they shall co-operate and take all necessary steps in operating their projects and shall also share all the expenditure that may be incurred towards operation of their projects (generators to decide the modalities of sharing the expenditure).

30. From the submissions of the Petitioner and Respondents, it is noted that Bay no. 201 (220 kV) at Gadag PS, which has been allotted to the Petitioner, is the same Bay which was earlier allotted to Respondent No.2 Azure Power and is being implemented under ISTS. Further, on the one hand, it can be inferred that the location of the pooling station of Azure is not certain, as it has relinquished 50 MW and has approached APTEL for the balance capacity for the PPA tariff adoption issue. On the other hand, the Petitioner wishes to construct the dedicated transmission line.

31. We have taken note of the submission of Azure that it has no objection to the Petitioner's proposal to own and develop the dedicated transmission line in terms of the Connectivity Sharing Agreement dated 24.02.2025 for undertaking the development of the dedicated transmission line. We are of the considered view that, in light of the no-objection submitted by Azure, the Petitioner should be permitted to construct the dedicated line to enable it to evacuate its power. We note that Petitioner and Azure have agreed, vide the sharing agreement, that Azure will tap the line at a mutually agreed location. Accordingly, we direct CTUIL to issue revised intimations to Petitioner and Azure, to enable the Petitioner to construct the dedicated line, within a period of 15 days from the issue of this Order. It is clarified that this dispensation is independent of the obligations of Azure and the Petitioner under the GNA Regulations or the Sharing regulations, and has been considered solely on the mutual agreement of the parties. We direct CTUIL to include such implementation aspects, which are encountered from time to time in the course of grant of connectivity and GNA, which are not in violation of the Regulations, in the

detailed procedure after stakeholders' consultation to smooth the process of grant of Connectivity and GNA.

32. We have taken note of submissions of CTUIL that it has not taken Conn-BG 2 in lieu of the terminal bay from the Petitioner under Regulation 8.2 of the GNA Regulations, considering the bay was allocated to Azure. Azure has requested the return of the Conn-BG2 it submitted for such bay and has requested that the same may be taken from Petitioner. Petitioner has agreed to furnish the Conn-BG2.

33. In this regard, we have perused the relevant provisions of the GNA Regulations. Regulation 8 of GNA Regulations stipulates as follows:

“5.6. An Applicant may apply for grant of Connectivity at (i) a terminal bay of an ISTS sub-station already allocated to another Connectivity grantee or (ii) switchyard of a generating station having Connectivity to ISTS, with an agreement duly signed between the Applicant and the said Connectivity grantee or the generating station having Connectivity to ISTS, as the case may be, for sharing the terminal bay or the switchyard and the dedicated transmission lines, if any. The applicable Connectivity Bank Guarantee as per Regulation 8 of these regulations shall be submitted by such Applicant.

5.7. Two or more Applicants may apply for grant of Connectivity at a common terminal bay with an agreement duly signed by such Applicants for sharing the dedicated transmission lines and the terminal bay(s). The applicable Connectivity Bank Guarantee as per Regulation 8 of these regulations shall be submitted by each such Applicant.”

...

“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:

(a) Conn-BG2 towards terminal bay(s) shall be furnished on the basis of number of terminal bay(s) allocated as under:

Voltage level of allocated terminal bay	Conn-BG2 (per terminal bay)
<132KV	Rs. 1 crore
132 kV	Rs. 2 crore
220/230 kV	Rs. 3 crore
400 kV	Rs. 6 crore
765 kV	Rs. 12 crore

Provided that if the entity (i) proposes to construct the terminal bay(s) on its own under Regulation 12.4 of these regulations, or (ii) seeks Connectivity at a terminal bay constructed or being constructed by another Connectivity grantee or an entity covered under Regulation 17.1(iii) of these regulations, or (iii) seeks Connectivity through electrical system or switchyard of a generating station, no Conn-BG2 is required to be furnished....

As per the above, an entity(ies) which falls under Regulation 5.6 or Regulation 5.7 is required to furnish a Connectivity Bank Guarantee by each such entity.

34. We are of the view that, in the instant case, Azure was allotted ISTS bay 201 for 170 MW (50 MW was relinquished subsequently). Petitioner was also allotted ISTS bay 201 for 130 MW. Hence, under regulation 8.2 of the GNA regulations (considering the case of without ATS), Conn-BG2 was required to be furnished by each such applicant, i.e., both by Azure and Petitioner. We do not agree with the contention of CTUIL that, in terms of Regulation 8.2 of the GNA Regulations, an applicant seeking Connectivity through the sharing of terminal bays or dedicated transmission infrastructure developed by another grantee is exempt from furnishing Conn-BG2, as the terminal bay in the present case is not being developed by another grantee but is being implemented under the ISTS.
35. Accordingly, we direct that the Petitioner shall furnish Conn-BG 2 of Rs. 3 Crore as per Regulation 8.2 of GNA Regulations, within a period of 45 days of issue of this Order, failing which the in-principle grant of Petitioner shall be treated in terms of the GNA Regulations.
36. In view of the above discussion, as each entity sharing an ISTS bay for their connectivity is required to furnish Conn-BG2, the request of Respondent No.2(Azure Power) to substitute its Conn-BG 2 with Conn-BG2 of the petitioner, has no merits.
37. Issue No. 1 is answered accordingly.

Issue 2: Whether the start date of Connectivity is required to be extended

38. Petitioner has submitted that it is required to commence the process afresh, a period of 24 months (tentatively October 2027) be granted to the Petitioner for the development of the dedicated transmission infrastructure as the Lead Generator from the date of the order and accordingly requested to extend start date of connectivity from existing date i.e. 31.12.2026 to October 2027 (i.e., 10 months).
39. Petitioner has submitted that there will be delay in implementation of the dedicated transmission line and its generation project beyond the Connectivity start date of 31.12.2026; which shall be entirely due to reasons beyond the Petitioner's control, mainly arising from APIPL's prolonged and unavoidable delays in finalising and executing the Connectivity Sharing Agreement and multiple follow-ups with APIPL, CTUIL, and CEA. Since the Petitioner received in-principle Connectivity only on 27.01.2025, the Petitioner could not seek regulatory intervention prior to that; rather, they sought assistance from CEA and CTUIL for the resolution of the issues.

40. CTUIL has submitted that the GNA Regulations, 2022, have no provision for deferment of the start date of Connectivity or deferment of transmission charges for the mismatch period; hence, the Petitioner's request for such deferment is contrary to these provisions. Petitioner's delay in approaching the Commission, despite clear directions during the CEA meeting held on 08.01.2024 and in-principle Connectivity granted during January' 2025, reflects a failure to comply with the prescribed regulatory timelines. Contrary to the outcome of the CEA deliberations and the GNA framework, Petitioner executed a Connectivity Sharing Agreement dated 24.02.2025 with Azure, unilaterally designating itself as the Lead Generator and owner of the dedicated transmission line. Petitioner's request for an extension or exclusion of the delay period is inconsistent with the GNA Regulations and is unlikely to be entertained, as it would undermine the regulatory framework's goals of ensuring the timely completion of renewable energy and transmission infrastructure.
41. We have taken note of the submissions of the petitioner and the respondent. We observe that the delay in the implementation of the dedicated transmission line is a matter between the Petitioner and Respondent No.2. It is noted that Connectivity is granted at a specified ISTS point, namely, Bay-201, in the instant matter. Any delay in the construction of dedicated infrastructure or the generating station does not warrant any extension of the start date of Connectivity under the Regulations. It needs no reiteration that any delay in implementing a project leads to sub-optimal utilisation of the transmission system.
42. In light of the above discussions, we are of the considered view that no relaxation in extending the start date of Connectivity can be allowed to the Petitioner in the present case, and the start date of Connectivity shall be governed in terms of the GNA Regulations. The Petitioner shall ensure the completion of the dedicated transmission line and its Project by the firm start date for Connectivity; failing which, the consequences under the GNA Regulations shall apply.
43. Issue No.2 answered accordingly.
44. Petition No. 429/MP/2025 is disposed of in terms of the above.

Sd/

(Ravinder Singh Dhillon)
Member

Sd/

(Harish Dudani)
Member

Sd

(Jishnu Barua)
Chairperson

