

CENTRAL ELECTRICITY REGULATORY COMMISSION · PETITION NO. 856/MP/2025

Source Change Approval & Connectivity Protection Secured for ACME Cleantech Before CERC

May 13, 2026, New Delhi: SKV Law Offices successfully represented ACME Cleantech Solutions Private Limited (“ACME”) before the Central Electricity Regulatory Commission (“CERC”). By its Order dated 13.05.2026, CERC decided Petition No. 856/MP/2025 (along with IA No. 129/2025) filed by ACME under Section 79(1)(c) of the Electricity Act, 2003 read with Regulation 42 of the CERC (Connectivity and General Network Access to the Inter-State Transmission System) Regulations, 2022 (“GNA Regulations”), seeking three reliefs: a direction to the Central Transmission Utility of India Limited (“CTUIL”) to process ACME’s request for a change of source from solar to wind under Regulation 9.3; the issuance of a final grant of connectivity; and permission to convert from the Land BG route to the LoA route for its 400 MW project at Pachora Pooling Station.

Background

ACME held in-principle connectivity for a 400 MW solar project at Pachora, Madhya Pradesh, granted on 10.04.2024 against a bank guarantee of Rs. 40 Crore. The final grant remained pending because the award of the Rajgarh Phase-III transmission scheme, a required augmentation element, had not yet been made; it was ultimately awarded only on 25.10.2025. Under the GNA Regulations as they stood before the Third Amendment (notified on 09.09.2025), the final grant could only follow determination of the firm start date of connectivity, which itself depended on all required transmission elements being awarded.

In parallel, ACME had been selected by NTPC via a Letter of Award (“LoA”) dated 11.01.2024 for a 400 MW wind-solar hybrid project. To align its connectivity with this LoA, ACME applied on 15.09.2025 for a source change from solar to wind, shortly after the **Third Amendment** to the GNA Regulations inserted Regulation 9.3, which permits an in-

principle connectivity holder to change its renewable energy source for the same quantum.

CTUIL declined to process the application, citing the need to first finalize solar and non-solar capacities across all existing grantees. It also insisted on land documents for the original (solar) source by 10.10.2025, rejecting wind-source documents that ACME had submitted on 08.10.2025. CTUIL then revoked ACME’s in-principle connectivity on 04.12.2025.

Anticipating further coercive action, including invocation of the bank guarantees, SKV Law Offices approached the Delhi High Court. On 05.12.2025, the Court directed that status quo be maintained and no precipitative steps be taken by CTUIL with respect to either the bank guarantees or the connectivity, pending CERC’s consideration of the matter.

During the pendency of ACME’s petition, CERC itself acknowledged the transitional difficulties created by the Third Amendment. In its Suo Motu Order dated 08.12.2025 (Petition No. 14/SM/2025), CERC held that applicants must be given at least one opportunity to change source under Regulation 9.3 after the Third Amendment took effect, and exercised its power to remove difficulties in implementation. CERC also clarified that the transition framework required all existing connectivities to be converted to solar or non-solar access before new source-change requests could be processed. ACME’s case fell squarely within this framework: having applied for a source change on 15.09.2025, during the transition period and before its connectivity was reclassified, it was entitled to at least one such opportunity.

Findings and Directions

By its Order dated 13.05.2026, CERC held and directed as follows:

1. CTUIL's requirement to finalize solar/non-solar capacities across all applicants before processing source-change requests was held to be "*not envisaged in the GNA Regulations.*"
2. CTUIL was directed to process ACME's source-change application within 30 days of the Order.
3. As a one-time dispensation, if CTUIL permits the source change, it shall process the land documents already furnished by ACME for the 300 MW connectivity quantum.
4. If the source change is permitted, ACME shall have 15 days from the date of that permission to furnish land documents for the balance 100 MW connectivity quantum. For the period between 10.10.2025 and that extended deadline, ACME must pay delay compensation at 5% of the Land BG for 100 MW (Rs. 50 lakh).
5. CTUIL shall process each application with a date and time stamp and, accordingly, process applications in the prescribed sequence during and after the Right of First Refusal ("ROFR") transition period. During the transition period, applications under Step-1 (source-change applications by entities) shall be processed within 30 days of application, followed by applications under Step-3 after completion of the ROFR period, and applications under Step-2 shall be processed after completion of processing of applications under Step-3.
6. ACME shall be eligible to apply for conversion from the Land BG route to the LoA route under Regulation 11A(4) only after final grant of connectivity has been issued and subject to other conditions as required under the GNA Regulations, with a minimum capacity of 50 MW for conversion.
7. The revocation letter dated 04.12.2025 was set aside. CTUIL retains liberty to act under the GNA Regulations in the event of non-compliance with the Order.

Our Team

ACME Cleantech Solutions Private Limited was represented by SKV Law Offices' team led by Mr. Shri Venkatesh (Founding Partner), assisted by Mr. Shryeshth Ramesh Sharma (Senior Partner), Ms. Priya Dhankhar (Associate Partner), Mr. Akash Lamba (Counsel), Mr. Kunal Veer Chopra (Senior Associate), and Mr. Manav Bhatia (Associate).

FOR FURTHER INFORMATION PLEASE CONTACT

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