

GOVERNMENT OF INDIA
MINISTRY OF NEW AND RENEWABLE ENERGY
RAJYA SABHA
UNSTARRED QUESTION NO. 2862
ANSWERED ON 17.03.2026

WAIVER OF ISTS CHARGES FOR RENEWABLE ENERGY PROJECT

2862. SMT. GEETA ALIAS CHANDRAPRABHA

Will the Minister of NEW AND RENEWABLE ENERGY be pleased to state:

- (a) the guidelines being followed for extending the waiver of inter state transmission system (ISTS) charges to renewable energy projects;
- (b) the arrangements made to ensure timely grid connectivity and evacuation for projects availing the waiver; and
- (c) whether any review mechanism has been put in place to assess the effect of the waiver on project viability and grid utilisation?

ANSWER

THE MINISTER OF STATE FOR NEW & RENEWABLE ENERGY AND POWER

(SHRI SHRIPAD YESSO NAIK)

(a) The Inter-State Transmission System (ISTS) charges are governed by Central Electricity Regulatory Commission (CERC) (Sharing of Inter State Transmission Charges and Losses) Regulations, 2020 and its amendment thereafter. According to the 4th Amendment to the said regulations dated 26.06.2025, The detail of ISTS charges waiver for specific categories of renewable energy and energy storage projects is given in **Annexure**.

(b) The grid connectivity is regulated by the CERC (Connectivity and General Network Access to the inter-State Transmission System) Regulations, 2022 as amended with defined timelines and procedures.

As per the Regulation, the Nodal Agency for Connectivity or General Network Access (GNA) to the ISTS is Central Transmission Utility (CTU).

Progress of renewable energy (RE) generation and associate ISTS is being monitored in quarterly Joint Co-ordination Committee Meetings by CTU wherein efforts are being made to avoid mismatches between RE developers and transmission service providers. Further, transmission system is also being monitored at the level of Ministry of Power and Central Electricity Authority (CEA).

CTU has now also been mandated to monitor the critical elements on monthly basis with participation of transmission developers and generation project developers.

In case of non-availability of associated transmission system, CTU in consultation with CEA, Grid-India and TSPs, evolves alternate/interim arrangement, wherever possible, so that timely evacuation can be provided to RE projects.

Additionally, the Government has taken following measures to ensure timely grid connectivity and evacuation for projects.

- Green Energy Corridor Scheme is being implemented for evacuation of power from RE projects from identified locations.
- The CEA prepared report on “Transmission System for Integration of over 500 GW RE Capacity by 2030”.
- Advance transmission planning through the National Electricity Plan (Volume II: Transmission), notified by Central Electricity Authority (CEA) in Oct, 2024.

(c) As per CERC regulations, the ISTS charges are shared by drawee DICs (Designated ISTS Customers) and therefore, do not have direct impact on the cost of generation of renewable energy project. Under Section 38 (2)(c) of the Electricity Act 2003, CTU has been mandated to ensure development of an efficient, coordinated and economical system of ISTS.

ANNEXURE REFERRED TO IN PARTS (a) OF THE RAJYA SABHA UNSTARRED QUESTION NO.2862 DUE FOR ANSWER ON 17.03.2026 REGARDING “WAIVER OF ISTS CHARGES FOR RENEWABLE ENERGY PROJECT”.

| Sl. No. | Type of project | ISTS Charges waiver | Duration of waiver from commissioning date |
|----------------|--|--|---|
| 1 | Renewable Energy Generating Station (REGS) based on wind or solar source or RHGS based wind and solar source | 100% for projects commissioned by 30 th June 2025; waiver reducing 25% annually thereafter | 25 years |
| 2 | Hydro Pumped Storage Plant | 100% for projects where award of construction work by 30 th June 2028 | 25 years |
| 3 | <p>a. Battery ESS connected at a substation where no REGS is connected or Battery ESS connected at a substation where REGS is connected but Battery ESS is charged from Grid or source other than REGS</p> <p>b. Battery ESS connected at a substation where REGS is connected and is charged from such REGS</p> | <p>a. 100% for projects commissioned by 30th June 2025; waiver reducing 25% annually thereafter</p> <p>b. 100% for projects commissioned by 30th June 2028</p> | 12 years |
| 3 | Large hydro projects(>25MW) | 100% for projects where date of signing of PPA and award of construction on or after 1.12.2022 and on or before 30.6.2025; waiver reducing 25% annually thereafter | 18 years |
| 4 | Green Hydrogen /Green Ammonia Plants that utilize renewable energy from Solar, Wind, Large Hydro or Energy Storage Systems or any hybrid combination of the aforementioned technologies | 100% for projects commissioned by 31 st Dec 2030; waiver reducing 25% annually thereafter | 25 years |
| 5 | Off shore wind power | 100% for projects commissioned by 31 st Dec 2032; waiver reducing 25% annually thereafter | 25 years |