

HIMACHAL PRADESH ELECTRICITY REGULATORY COMMISSION, SHIMLA

In the matter of draft amendments of the Himachal Pradesh Electricity Regulatory Commission (Rooftop Solar PV Grid Interactive System based on Net Metering) (First Amendment) Regulations, 2018.

CORAM
Sh. S.K.B.S. Negi
Chairman

Sh. Bhanu Pratap Singh
Member

ORDER

The Himachal Pradesh Electricity Regulatory Commission (hereinafter referred as “the Commission”) notified the Himachal Pradesh Electricity Regulatory Commission (Rooftop Solar PV Grid Interactive System based on Net Metering) Regulations, 2015 ((hereinafter referred as “the said regulations”), which were published in the Rajpatra, Himachal Pradesh, dated 3rd August, 2015;

2. The total target of 100 GW generation by 2022 from solar in the country, a capacity of 40 GW is targeted to be achieved from solar rooftop. The MNRE has requested to modify the solar rooftop regulations incorporating the standard of performance i.e. time lines for various activities for installation of rooftop solar system which may help in achieving the national target of solar capacity addition of 40 GW by 2022;
3. The Himachal Pradesh Electricity Board Ltd. (HPSEBL) is of the view that since the main objective of solar rooftop system is that the consumer generates the electricity and consumes it too and also since a considerable amount of subsidy is available for installing said systems, there should not be any payments for net surplus energy exported by the consumer at the end of the settlement period;
4. The Himachal Pradesh Energy Development Agency (HIMURJA) being a State Nodal Agency has suggested that consumers may be allowed to install grid

interactive solar PV System equal to their sanctioned connected load in case of the consumers having connected load upto 5kW;

5. Taking into consideration the above, the Commission notified the draft amendment i.e. HPERC (Rooftop Solar PV Grid Interactive System based on Net Metering) (First Amendment) Regulations, 2018 on 8th October, 2018 and published the same in Rajpatra, Himachal Pradesh on 12.10.2018 in exercise of the power, conferred under sub-section (1) of section 181 of the Electricity Act, 2003 (36 of 2003);
6. As required vide sub-section (3) of the section 181 of the Act and read with Rule (3) of Electricity (Procedure of Previous Publication) Rules, 2005, the Commission invited public objections and suggestions by way of insertions in two News papers i.e. “Hindustan Times” and “Amar Ujala” on 16th October, 2018. The full text of the draft regulations was also made available on the Commission’s website: www.hperc.org.
6. The Commission, vide letter dated 16.10.2018, also requested the major stakeholders, including the Industries Associations, State Government, Directorate of Energy, HIMURJA, Consumers Representative and Distribution Licensee to send their objections/suggestions as per the aforesaid public notice, on or before 29.10.2018.
7. The following stakeholders have filed their written submissions:-
 - (i) The Department of NES, GoHP, Shimla-171002.
 - (ii) HIMURJA, Urja Bhawan, SDA Complex, Kasumpti, Shimla-171009 (HP).
 - (iii) Consumer Representative.
8. The Commission now proceeds to consider the submissions made by the above stakeholders and Commission’s view on such submissions are as under:-

Comments

- (a) The Special Secretary(NES) to the GoHP has made that the following recommendation based on the outcome the meeting of Dept. of NES,

HPSEBL and HIMURJA held on 16.10.2018, to discuss the issues relating to proposed 1st draft amendment of net metering regulations:-

The Commission may consider that the net quantum of surplus energy to be settled at the end of settlement period may be payable to the consumer by HPSEBL at a tariff determined by the Commission after considering available capital subsidy reasonably. The other parameters for tariff determination like CUF, O&M, Debt Equity ratio, etc will be considered as per the established procedure. The tentative Benchmark Capital Cost may be considered as Rs. 60,000.00 per kWp.

- (b) The HP Energy Development Agency(HIMURJA) has suggested that the capacity of rooftop solar PV system to installed by the eligible consumer at LT (3 Phase) should be allowed upto 100 kWp instead of 20 kWp as the empaneled firms have been requesting persistently that it is not possible to install 100 kWp Solar Power Plants at 11 kV or higher voltage level.
- (c) The Consumer Representative has made the following submissions:-
 - (i) The Govt. of India has fixed a target of 100 GW generations by 2022 from solar in the country. Out of this target, a capacity of 40 GW is targeted to be achieved from solar rooftop. Thus in order to achieve the targets and facilitate promotion of generation of solar energy, by tapping the potential of solar rooftop in the State to its maximum/optimum, it becomes imperative to frame or amend Regulations already put in place, to remove bottlenecks and fix time lines etc., to make it easy and economically viable/attractive for the people & to take up it in a big way.
 - (ii) It is a welcome step to allow domestic consumers to install grid interactive solar PV system equal to their sanctioned connected load (i.e. 100% , as reflected in Table-1 of proposed draft amendment), in case of consumers having load upto 5 kW, instead of 30% of 5 kW of his sanctioned connected load. This may ensure economic viability of these projects.
 - (iii) The time lines proposed for authorities and consumers for their adherence and to perform various activities pertaining to them as given in Table-3&4

is a welcome step which shall ensure speedy installation of solar rooftop projects by domestic consumers.

- (iv) It is suggested that the proposed amendment in sub-regulations (9) of Regulations 10 needs to be relooked especially in case of domestic consumers, while finalizing the draft amendments and allow some monetary benefits to the domestic consumers, if there is any net surplus after the settlement period in rooftop solar generation by domestic consumers in the State. The proposed amendment shall impact adversely, the interest of the domestic consumers and may discourage them to take up these projects without any monetary gains.
- (v) The above suggestions/comments may kindly be considered to protect the interests of the consumers particularly domestic consumers and to facilitate rooftop solar PV generation in time with minimum requirement of documentation while finalizing the draft amendments.

Commission's View

The Commission after detailed consideration of the comments of the various stakeholders, as above, has arrived at the following conclusions:-

- (a) As per the standard supply voltage specified by the Commission for the consumers having connection load beyond 50 kW are required to avail supply at HT voltage and supply at LT is available only upto 50 kW. As such, it is not appropriate to allow solar PV plants of more than 50 kWp where the consumer gets supply at LT voltage. Moreover, it is also necessary to retain limits for peak capacity of such plants keeping in view the constraints/impacts of the distribution system. In view of above, the Commission decides to retain the limits incorporated in the draft amendment regulations. However, in order to facilitate the consumers, the following additional proviso shall be added in sub-regulation (2) of Regulation 5 of said regulations, namely;-

“Provided further that the officer(s), not below the rank of Superintending Engineer, to be designated by the distribution licensee may, on request of the eligible consumer, allow, after considering all technical aspects such as the adequacy of the system and impact on the system parameters etc., installation of the rooftop solar PV system of capacity upto sanctioned connected load upto 50 kWp in cases where the consumer is getting supply through a dedicated feeder at 3 phase LT voltage:”

- (b) As regards the payment for the energy to be settled at the end of settlement period, the Commission finds it appropriate to accept the suggestion limited only to the domestic supply consumers who shall be paid for such energy at the rate(s) determined by the Commission from time to time by considering the subsidy available to such consumers (in percentage) under the relevant scheme(s) of Government(s) (State or Centre) or their agency(ies), appropriate financial and technical parameters alongwith other terms and conditions. However the old cases shall continue to get the rate as already specified in the regulations. The cut-off date has been fixed as 15.11.2018.

In view of above the existing sub-clause (b) of clause (i) of the sub-regulation (9) of regulation 10 of the said regulations shall be substituted, namely;-

“The distribution licensee shall settle the quantum of energy to be settled for any time of the day at the end of the settlement period in accordance with sub-regulation (5) and (8), in the following manner, namely;-

- (i) in cases where the Letter of Approval is issued as per the sub-regulation (3) of Regulation 7, also duly taking into account the 3rd proviso to the same, on or before 15.11.2018, the amount payable to the consumers for such energy shall be worked out at a fixed rate of Rs. 5.00 per kWh of the energy to be settled in case of consumers covered under single part tariff and at a fixed rate Rs. 4.50 per kVAh in case of consumers covered under two parts tariff:

Provided that if the amount of subsidy or grant or both, available to eligible consumer under the relevant scheme(s) of the Government(s) (State or Centre) or their agencies, exceeds 50% of the normative capital cost of the rooftop solar PV system, the

aforesaid rates of Rs. 5.00 per kWh and Rs. 4.50 per kVAh, as applicable, shall be reduced by 50% and such eligible consumer shall, for such purposes, be deemed to have availed the total (maximum) subsidy or grant, or both, as available under such scheme(s) irrespective of the amount actually availed by him;

(ii) in cases where the Letter of Approval is issued as per the sub-regulation (3) of Regulation 7, also duly taking into account the 3rd proviso to the same, after 15.11.2018-

(a) in case of the domestic supply consumers, the amount payable to the consumers for such energy shall be worked out at the rate(s) determined by the Commission from time to time by considering the subsidy available to such consumers (in percentage) under the relevant scheme(s) of Government(s) (State or Centre) or their agency(ies), appropriate financial and technical parameters alongwith other terms and conditions; and

(b) in case of consumers, other than domestic supply consumers, the distribution licensee shall settle such energy at the end of the settlement period at zero rate i.e. without any payment for the same.”

The draft amendment regulations are finalized and approved as such and be notified accordingly.

Sd/-
(Bhanu Pratap Singh)
Member

Sd/
(S.K.B.S. Negi)
Chairman

Place: Shimla
Dated: 6th November, 2018.