

HIMACHAL PRADESH ELECTRICITY REGULATORY COMMISSION, SHIMLA

In the matter of draft Order of the Himachal Pradesh Electricity Regulatory Commission (Rooftop Solar PV Grid Interactive System based on Net Metering) Order, 2019.

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 Commission vide notification dated 6th November, 2018 has notified the first amendment regulations of said regulations i.e. the Himachal Pradesh Electricity Regulatory Commission (Rooftop Solar PV Grid Interactive System based on Net Metering) (First Amendment) Regulations, 2018, which also deal with the rates at which payment is to be made for the net energy credits at the end of settlement period by the distribution licensee to its domestic supply consumers who install rooftop solar PV and grid interactive system based on net metering. The amended provision of sub-regulation (9) of Regulation 10 of said regulations interalia specifies that:-

“(b) (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.”

3. The installation of solar rooftop is primarily intended to be for self consumption of energy by the owner from such system and the distribution licensee virtually facilitates banking arrangements under which the

consumer can use the energy generated by him at his convenience during any other time of the day according to his convenience.

4. The energy is received by the licensee at the point of supply to the consumer and the impact of losses due to bi-directional flows of energy as well as the cost of the strengthening the system is borne by the distribution licensee.
5. The Commission found it appropriate to fix the rate at which payment shall be made to the domestic supply consumers for the electricity credits, if any, remaining unadjusted at the end of settlement period as a fraction of the weighted average rate at which the distribution licensee purchases power from ground mounted solar PV plants upto 5.00 MW capacity located in the State, on the annual basis.
6. The energy remaining unadjusted at the end of settlement period is virtually a contingent surplus only which can generally not be marketed by the distribution licensee at attractive price.
7. Taking into consideration the above, the Commission notified the draft Order i.e. HPERC (Rooftop Solar PV Grid Interactive System based on Net Metering) Order, 2019 on 11th March, 2019 and published the same in Rajpatra, Himachal Pradesh on 14th March, 2019 in exercise of the powers conferred under sub-regulations (9) of Regulation 10 of the said regulations.
8. 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. "The Tribune" and "Danik Bhasker" on 16th March, 2019. The text of the draft Order was also made available on the Commission's website: www.hperc.org.
9. The Commission, vide letter dated 19th March, 2019 also requested the major stakeholders, including the 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 27th March, 2019.

10. The distribution licensee i.e. Himachal Pradesh State Electricity Board Limited (HPSEBL) has submitted that the aforesaid proposal is acceptable to them.
11. Another stakeholder i.e. Consumer Representative has filed the following comments/suggestions on the aforesaid proposal:-

The draft Order in solar rooftop regulations proposed by the Commission is a welcome step to ensure lucrative returns to consumers and encourage promotion of solar energy generation in the state. However, it is suggested that the Commission may also ensure to have some effective mechanism to allow consumer(s) to get benefits of marketing surplus solar energy produced by them at good returns in the eventuality of withdrawal of present 70 % subsidy at a later stage by the MNRE/State Government. This will help in to sustain these solar rooftop PV projects and also encourage such consumer(s) of solar energy in a big way. The Commission may consider these suggestions while approving the proposed amendments.

Commission's View:-

We find that there are no adverse comments on the proposal. However, in relation to the suggestion made by the Consumer Representative to lay down effective mechanism for allowing the benefit of surplus power in the eventuality of changes in the subsidy pattern for grid interactive solar rooftop PV system at a later stage, we feel that such mechanism may not be necessary at this stage as the grid interactive solar rooftop PV system is primarily for self consumption of energy by the owner of such system and the distribution licensee virtually facilitates banking arrangements. However, the Commission can take appropriate view in such eventualities after consultation with the stakeholders as and when such situations arise.

The draft Order is finalized and approved as such without any changes and to be notified accordingly.

Sd/-
(Bhanu Pratap Singh)
Member

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

Place: Shimla
Dated: 30th March, 2019.