

**TAMIL NADU ELECTRICITY REGULATORY COMMISSION**  
**(Constituted under section 82 (1) of the Electricity Act, 2003)**  
**(Central Act 36 of 2003)**

**PRESENT:**

<b>Thiru M.Chandrasekar</b>	<b>.... Chairman</b>
<b>Dr.T.PrabhakaraRao</b>	<b>.... Member</b>
<b>ThiruK.Venkatasamy</b>	<b>.... Member/Legal</b>

**M.P.No.32 of 2020**

Tamil Nadu Generation and  
Distribution Corporation Ltd.  
144, Anna Salai  
Chennai – 600 002.

... Petitioner  
(ThiruM.Gopinathan  
Standing Counsel forTANGEDCO)

**Date of hearing : 17.11.2020 and 15.12.2020**

**Date of Order : 22-12-2020**

The above Petition came up for final hearing on 15.12.2020. The Commission upon hearing the arguments of ThiruM.Gopinathan, Standing Counsel and after perusing the documents, written submissions filed, passes the following order:-

**ORDER**

**1. Prayer of the Petitioner in M.P.No.32 of 2020:-**

The above petition has been filed by the Petitioner, Tamil Nadu Generation and Distribution Corporation (TANGEDCO) with a prayer to pass an

appropriate order for processing applications of willing consumers in solar net meter scheme for installation of additional capacity by change over from solar net meter scheme under Tamil Nadu Solar Policy 2012 to Solar net feed-in scheme under Tamil Nadu Solar Energy policy 2019 for the existing installed capacity and installation of the additional PV capacity in Solar Feed-in scheme within the sanctioned demand in the existing service after obtaining necessary undertaking from the consumer.

## **2. Facts of the case:**

**2.1**The Commission issued 'Order on LT Connectivity and Net-metering, in regard to Tamil Nadu Solar Energy Policy 2012 in Order No.3 of 2013 dt.13.11.2013. LT solar grid connectivity under the net meter scheme of Tamil Nadu Solar Policy 2012 was permitted upto 30% of Distribution Transformer capacity on 'first come first served basis. The provisions in Clause 6 of Order No.3 of 2013 states as follows:-

*“At the local distribution level connectivity to rooftop solar/solar systems shall be restricted to 30% of the distribution transformer capacity on the basis of first come first served. The maximum cumulative capacity in the Distribution Licensee area shall be limited to the extent prescribed in the Tamil Nadu Solar Energy Policy 2012 and by the Renewable Purchase Obligation (RPO) specified in the Commission’s Regulation on year to year basis.”*

**2.2.**To restrict the connectivity to rooftop solar systems to 30% of Distribution Transformer(DT) capacity, TANGEDCO has processed only new applications

upto the service connection capacity/sanctioned load of existing services. Applications for installation of additional capacity were not allowed.

2.3. The Government of Tamil Nadu released the Tamil Nadu Solar Energy policy 2019 on 4.2.2019. Commission issued Order No.3 of 2019 dt.25.3.2019 on Rooftop Solar Generation. With respect to restrictions on Grid connectivity, Clause 8.1 of OrderNo.3 of 2019 provides as follows:-

*“8.1 At the local distribution level, connectivity to rooftop solar systems shall be restricted to 90% of the distribution transformer capacity on the basis of first come first served. The Distribution licensee shall update the status of cumulative rooftop solar capacity connected to each Distribution transformer in their website.”*

2.4. Applications for installation of new LT solar net feed-in services are being processed upto 90% of the DT capacity but limited to 100% of sanctioned/contracted demand of the existing service. Since restriction to grid penetration is raised to 90% of DT capacity, applications for additional capacity in LT solar net feed-in services are being processed in the above order.

2.5. Under the net meter scheme, unit adjustments are made for generation and consumption. Under the net feed-in scheme, monetary value for the imported energy at the applicable tariff is adjusted with the monetary value of exported solar energy to the grid at the tariff fixed by the Commission. While applications for new and additional capacity in LT solar net feed-in scheme are being processed upto the sanctioned demand, applications for additional capacity

under net meter scheme are not processed due to restrictions in grid penetration whereas consumers under the net meter scheme have requested for additional capacity.

### **3. Contention of the petitioner**

3.1. To consider the request of consumers in net meter scheme for installation of additional PV capacity, there are certain implications discussed below:

**(a)** Permitting additional PV installations under net meter scheme is not feasible of compliance since the net meter scheme no longer exists after 25.3.2019. If the installation of additional capacity is allowed in the net feed-in scheme, the billing procedure for the existing installation shall be in the net meter scheme and the additional solar panels installed shall be under net feed-in scheme. Two different methods of billing cannot be operated on the imported and exported units of a single solar PV installation and hence processing of applications for additional capacity PV installations under net feed-in scheme for the existing net meter service is not feasible.

**(b)** If the consumer opts to change over from the net meter scheme to net feed-in scheme to install additional PV installations, the existing solar PV system in net meter scheme under Tamil Nadu Solar Policy 2012 may be changed to solar net feed-in scheme under Tamil Nadu Solar Energy Policy 2019 for the existing installed capacity after obtaining necessary

undertaking from the consumer agreeing to change over to net feed-in scheme after which the additional solar PV panels may be installed in solar net feed-in scheme within the sanctioned demand of the existing service.

**(c)** The billing for the existing installed capacity and additional installed capacity of PV plants may be made under net feed-in scheme under Tamil Nadu Solar Energy policy 2019. By this process, the request of consumers for installation of additional solar PV panels for existing net meter services within the sanctioned demand may be met besides fetching additional revenue to TANGEDCO rather than adjusting units of export and import in net meter scheme.

**4. Hearing held on 17.11.2020 and 15.12.2020:-**

While admitting the petition on 17.11.2020, Commission directed TANGEDCO to webhost the petition seeking comments from the stakeholders and thereafter to file an affidavit containing the comments of stakeholders. The case was adjourned to 15.12.2020. On 15.12.2020, during the hearing, the counsel for TANGEDCO informed that no comments were received on the petition.

## **5. Findings of the Commission:**

**5.1.** This petition has been filed by TANGEDCO to process applications received from the consumers who are presently under the net meter scheme of Tamil Nadu Solar Policy, 2012 seeking approval to additional rooftop solar PV capacity, under the net feed-in scheme rolled out under the Tamil Nadu Solar Policy, 2019. The petitioner has submitted that the above request of the petitioner is based on a premise that the net meter scheme under Tamil Nadu Solar Policy 2012 no longer exists after the Solar Policy 2019 issued by the State Government. Secondly, the additional solar PV capacity alone cannot be considered under the new net feed-in scheme due to the different methodologies of billing of energy under the net meter scheme and the net feed-in scheme where the former is based on energy adjustments and the latter on monetary value adjustments, and therefore any applicant who is under the net meter scheme and who requires additional solar PV capacity may furnish willingness to change over to the net feed-in scheme in entirety and furnish an undertaking to the said effect.

**5.2.** In the Order No.3 of 2019 dt.25.3.2019 on 'Rooftop Solar Generation' issued under the Tamil Nadu Solar Policy 2019, Commission has made it clear that consumers under the net metering scheme shall continue to be governed by Order No. 3 of 2013 dt.13.11.2013.

Para 2.0 on Applicability of Order No.3 of 2019 is extracted below:-

*“2.0 Applicability :*

*2.1 This order on new scheme of rooftop Solar generation, namely, Solar netfeed- inconsumer category is applicable to all new applicants from the Eligibleconsumer category notified in para 3.0 of this order. The date of effect of this order is 25.03.2019, the date of passing of order by the Commission in M.P No.9 of 2017.*

*2.2 The existing consumers under the net metering scheme shall continue to be governed by the provisions in the Order No.3 of 2013 dt.13.11.2013.”*

**5.3.** Therefore, applications for installation of additional Solar PV capacity from consumers under the net meter scheme of Order No.3 of 2013 shall be processed as per the provisions of Order No.3 of 2013 dt.13.11.2013, provided the installed solar PV capacity does not exceed the sanctioned load of the service connection. As to the grid penetration limit, Commission decides to relax the restrictions of 30% limit on DT capacity in Order No.3 of 2013 for the reason that the Distribution Licensee will have difficulties in operating the two schemes of net meter and net feed-in with different restrictions on penetration in the same DT. Therefore, the first sentence of clause 6.1 in Order No.3 of 2013 dt.13.11.2013 under ‘6. Restrictions on grid penetration’ is amended as follows:

*“6.1. At the local distribution level connectivity to rooftop solar/solar systems shall be restricted to 90% of the distribution transformer capacity on the basis of first come first served .”*

With the above orders, this petition is finally disposed of.

(Sd.....)  
**(K.Venkatasamy)**  
**Member (Legal)**

(Sd.....)  
**(Dr.T.PrabhakaraRao)**  
**Member**

(Sd.....)  
**(M.Chandrasekar)**  
**Chairman**

/True Copy /

Secretary  
Tamil Nadu Electricity  
Regulatory Commission