

## **RAJASTHAN ELECTRICITY REGULATORY COMMISSION, JAIPUR**

In the matter of

Rajasthan Electricity Regulatory Commission (Grid Interactive Distributed Renewable Energy Generating Systems) Regulations, 2021.

### **Coram:**

1. Dr. B.N. Sharma, Chairman
2. Shri S. C. Dinkar, Member
3. Shri Prithvi Raj, Member

**Date of Order:**

**7.09.2021**

### **ORDER**

1. Ministry of Power vide their Notification dated 31.12.2020 issued the Electricity (Rights of Consumers) Rules, 2020 ('MoP ROC Rules 2020') wherein, among other things, it provided that the regulations on Grid Interactive Roof top Solar PV system and related matters provide for net metering for loads upto ten kW and for gross metering for loads above ten kW.
2. While the Commission was in the process of framing the Regulations on Grid Interactive Roof top Solar PV systems and related matters it came to the notice of the Commission that the Ministry was contemplating Amendment in their above rules.
3. Considering that Ministry was in the process of Amendment in their 'MoP ROC Rules 2020' and it was likely to take some time, Commission issued the final Rajasthan Electricity Regulatory Commission (Grid Interactive Distributed Renewable Energy Generating Systems) Regulations, 2021 (hereinafter 'RERC DREGS Regulations 2021') on 08.04.2021. The Commission in the final RERC DREGS Regulations 2021, among other things, at regulation 3.2 provided as under:

*"3.2 These Regulations shall apply to:*

- (a) Net Metering arrangements;*
- (b) Net Billing arrangements;*
- (c) Grid Interactive Distributed Renewable Energy generating systems connected behind the meter and operating in*

*parallel with Distribution Licensees' grid and who have not opted either for Net Metering arrangement or Net Billing arrangement:*

*Provided that, the eligibility for Net Metering arrangement shall be as stipulated under the Electricity (Rights of Consumers) Rules, 2020, as amended from time to time:*

*Provided further that, for the purpose of implementation of the Electricity (Rights of Consumers) Rules, 2020 the Commission may issue necessary directions or orders, if need be, as and when required. Provided also that the Net Metering arrangement for the eligible consumers shall be allowed subject to technical feasibility:*

*Provided also that, co-located Renewable Energy based captive power plants up to one mega-watt installed capacity may opt to be set up under these Regulations or the Rajasthan Electricity Regulatory Commission (Terms and Conditions for Tariff determination from Renewable Energy Sources) Regulations, 2020:*

*Provided also that such option, once exercised, cannot be changed."*

4. The RERC DREGS Regulations 2021 at regulation 3.4 further provide as under:

*"3.4 These Regulations shall be applicable to all Grid interactive Distributed Renewable Energy generating systems that are commissioned on or after 1st July 2021:*

*Provided that, Rooftop and Small Solar Grid Interactive Systems commissioned under Net Metering agreements up to 30th June 2021, shall continue to operate under the Net Metering arrangement till the period of Connection Agreement, as per the provisions of the Rajasthan Electricity Regulatory Commission (Connectivity and Net Metering for Rooftop and Small Solar Grid Interactive Systems) Regulations, 2015 and subsequent amendments thereof:*

*....."*

5. As Ministry was still to finalise the Amendment in their MoP ROC Rules 2020', Commission vide order dated 24.03.2021 extended the applicability of old 2015 Regulations upto 30.06.2021.

6. Subsequently, MOP issued the Electricity (Rights of Consumers) Amendment Rules,2021 ('MoP ROC Amendment Rules 2021') on 28.06.2021, Clause (4) of the said rules provides as under:

*“(4) The arrangements for net-metering, gross-metering, net-billing or net feed-in shall be in accordance with the regulations made by the State Commission, from time to time:*

*Provided that where the regulations does not provide for net-metering, net-billing or net feed-in, the Commission may allow net metering to the Prosumer for loads up to five hundred Kilowatt or upto the sanctioned load, whichever is lower and net-billing or net feed-in for other loads:*

*Provided further that in the case of Prosumers availing net-billing or net feed-in, the Commissions may introduce time-of-the-day tariffs whereby Prosumers are incentivised to install energy storage for utilization of stored solar energy by them or feeding into the grid during peak hours thus helping the grid by participating in demand response of the Discoms:*

*Provided also that in case of net-metering or net-billing or net feed-in, the distribution licensee may install a solar energy meter to measure the gross solar energy generated from the Grid Interactive rooftop Solar Photovoltaic system for the purpose of renewable energy purchase obligation credit, if any:*

*Provided also that the Commission may permit gross-metering for Prosumers who would like to sell all the generated solar energy to the distribution licensee instead of availing the net-metering, net-billing or net feed-in facility and the Commission shall decided for this purpose the generic tariff for gross-metering as per tariff regulations:”*

7. Before taking a further view in the above matter, to give regulatory certainty, Commission vide order dated 30.06.2021 extended the applicability of 2015 Regulations further upto 15.09.2021.

8. It is observed from the MoP ROC Amendment Rules 2021, Ministry has mandated SERCs to decide the capacity under net-metering arrangement by providing that the arrangements for net-metering, gross-metering, net-billing or net feed-in shall be in accordance with the Regulations made by the State Commission, from time to time. The Amendment rules further provide that where the Regulations do not

provide for net-metering, net-billing or net feed-in, the Commission may allow net metering to the Prosumer for loads up to five hundred Kilowatt or upto the sanctioned load, whichever is lower and net-billing or net feed-in for other loads.

9. The RERC DREGS Regulations 2021, in terms of the regulation 3.2 reproduced above provide that the eligibility for Net Metering arrangement shall be as stipulated under the Electricity (Rights of Consumers) Rules, 2020, as amended from time to time. Further, for the purpose of implementation of the Electricity (Rights of Consumers) Amendment Rules 2020, the Commission may issue necessary directions or orders, if need be, as and when required.
10. It was considered appropriate by the Commission to take views of DISCOMs and Rajasthan Renewable Energy Corporation Limited ('RREC') before deciding the capacity under the net-metering arrangement.
11. RREC in their response suggested for allowing 500 kW capacity for net metering for all categories.
12. DISCOMs have requested the following arrangement for Net-Metering, Net Billing and Gross Metering in their response:
  - For Domestic category:
    - Net Metering: For sanctioned load till 10 kW.
    - Net Billing: For sanctioned load above 10 kW and up to 25 kW.
    - Gross Metering: For sanctioned load above 25kW.
  - For all other categories:
    - Net Billing: For sanctioned load till 25 kW.
    - Gross Metering: For sanctioned load above 25 kW.

DISCOMs have also requested to allow them compensation for loss of the fixed charges in the form of 'Banking' or 'Grid Support Charges' or any other charges in case of net-metering and net-billing consumers (except domestic category).

13. MOP ROC Amendment rules 2021 mandate the Commission to decide the capacity under net metering arrangement. If the Commission considers any change in the capacity limit or insert the new provisions as requested by DISCOMs, the Commission has to follow the due

procedure for the amendment in Regulations, i.e., by inviting comments from the stakeholders on the draft Regulations and considering the same before finalising the Regulations.

14. In the prevailing conditions, as of now, for the regulatory certainty Commission decides that for the purpose of regulation 3.2 of the RERC DREGS Regulations 2021, net metering arrangement shall be applicable for loads up to five hundred kilowatt (500 kW) or upto the sanctioned load, whichever is lower, for all categories of the consumers. However, the Commission may take further view on other issues raised by the DISCOMs in their response at a later stage by following the due procedure.

(Prithvi Raj)  
Member

(S.C. Dinkar)  
Member

(Dr. B.N. Sharma)  
Chairman