

**BEFORE THE GUJARAT ELECTRICITY REGULATORY COMMISSION
GANDHINAGAR**

Petition No. 1833 of 2019.

In the matter of:

Petition under Sections 62, 86 and other applicable provisions of the Electricity Act, 2003 read with the GERC (Procurement of Energy from Renewable Sources) Regulations, 2010 and the GERC (Net Metering Rooftop Solar PV Grid Interactive Systems) Regulations, 2016 for approval of rate of Rs. 1.75 per unit for purchase of surplus solar energy by Distribution Licensees from Solar Power Capacity set up for captive consumption/third party sale including non-residential solar rooftop capacity.

Petitioner : Gujarat Urja Vikas Nigam Limited
Represented by : Shri V. T. Patel and Shri Hetal Patel
Co - Petitioner No. 1 : Madhya Gujarat Vij Company Limited
Represented by : Shri J. R. Shah
Co - Petitioner No. 2 : Uttar Gujarat Vij Company Limited
Represented by : Shri K. B. Chaudhari
Co - Petitioner No. 3 : Paschim Gujarat Vij Company Limited
Represented by : Nobody was present.
Co - Petitioner No. 4 : Dakshin Gujarat Vij Company Limited
Represented by : Nobody was present.

CORAM:

Mehul M. Gandhi, Member

S. R. Pandey, Member

Date: 16/11/2021.

ORDER

1. The Petitioner Gujarat Urja Vikas Nigam Limited alongwith its four subsidiary distribution companies viz. Madhya Gujarat Vij Company Ltd. (MGVCL), Uttar Gujarat Vij Company Ltd. (UGVCL), Paschim Gujarat Vij Company Ltd. (PGVCL) and

Dakshin Gujarat Vij Company Ltd. (DGVCL) as Co-Petitioners has filed this Petition under Section 62, 86 and other applicable provisions of the Electricity Act, read with GERC (Procurement of Energy from Renewable Sources) Regulations, 2010 and the GERC (Net Metering Rooftop Solar PV Grid Interactive Systems) Regulations, 2016 for approval of rate of Rs. 1.75 per unit for purchase of surplus solar energy by Distribution Licensees from Solar Power Capacity set up for captive consumption/third party sale including non-residential solar rooftop capacity seeking following reliefs:

(a). To approve the rate of Rs. 1.75 per unit for purchase of surplus energy by DISCOMs applicable to all solar capacity to be set up from the date of Order of the Commission in the present Petition excluding solar capacity set up:

- (i) under SKY Yojna notified by Government of Gujarat for which rate of Rs. 3.50 per unit is already approved by the Commission,
- (ii) residential Solar rooftop capacity set up under SURYA – Gujarat Scheme notified by Government of Gujarat for which approval for applicability of rate of Rs. 2.25 per unit sought in Petition No. 1821 of 2019,
- (iii) Solar capacity set up under MSME Solar Policy notified by Government of Gujarat for which Petition filed before Commission for approval of rate of Rs. 1.75 per unit for purchase of surplus energy to be made applicable from effective date of MSME Solar Policy GR dated 26.09.2019.

2. The facts mentioned in the Petition, in brief, are as under:

2.1. Pursuant to unbundling of the erstwhile Gujarat Electricity Board under the Gujarat Electricity Industry Reorganization and Comprehensive Transfer Scheme, 2003 notified under the Gujarat Electricity Industry (Reorganization and Regulation) Act 2003, the activities of Generation, Transmission, Distribution, Bulk power purchase and supply undertaken by erstwhile Gujarat Electricity Board has been entrusted to separate seven functional entities. The generation activity is assigned to Gujarat State Electricity Corporation Ltd. (GSECL), the transmission activity is assigned to Gujarat Energy Transmission Corporation Ltd. (GETCO) and the distribution activity is assigned to four Distribution companies viz. Uttar Gujarat Vij Company Ltd. (UGVCL), Madhya Gujarat Vij Company Ltd. (MGVCL), Dakshin Gujarat Vij

Company Ltd. (DGVCL) and Paschim Gujarat Vij Company Ltd. (PGVCL). Further, the function of bulk purchase and bulk sale of power is assigned to Gujarat Urja Vikas Nigam Ltd. (GUVNL) as per the re-organization scheme. Accordingly, on behalf of four subsidiary Distribution Companies, the activity of bulk purchase and bulk sale of power is carried out by Gujarat Urja Vikas Nigam Ltd. (GUVNL).

- 2.2. The Commission vide Order dated 17.08.2015 had determined tariff and other commercial aspects for wheeling of Solar power including the rate for purchase of surplus energy by Distribution Licensees after giving adjustment of wheeled energy at recipient unit. Moreover, the Commission has also notified the GERC (Net Metering Rooftop Solar PV Grid Interactive Systems) Regulations, 2016 vide Notification No. 5 of 2016 applicable for the grid connected Solar Rooftop Photovoltaic System in the State of Gujarat. As per the provisions of GERC Solar Rooftop Net Metering Regulations, net surplus power injected from the solar rooftop project is to be purchased by the concerned distribution licensee at the APPC rate (if RE attribute is given to distribution licensee) / 85% of APPC rate (if RE attribute is not given to distribution licensee), as the case may be.
- 2.3. Further, with an objective to provide conducive framework for development of Solar Power Project in the State, the Government of Gujarat vide GR No: SLR-11/2015/2442/B dated 13.08.2015 had notified Solar Power Policy – 2015, which also provided for purchase of surplus energy from solar power project by Distribution Licensees at APPC / 85% of APPC rate, as the case may be.
- 2.4. It is submitted that the above provisions in regard to purchase of surplus power at APPC rate / 85% of APPC from the Solar Power projects availing open access for captive use/third party sale was based on the facts that under the then prevailing scenario, the generation cost and consequently the tariff for Solar Power Projects was much higher than APPC rate of Distribution licensee and therefore as a balancing of interest, the rate for purchase of surplus power from these Solar Power projects was kept at APPC rate/85% of APPC rate so that additional burden on the general body of consumers can be minimized being payment for surplus energy at lower than preferential tariff i.e. at APPC rate.

2.5. The renewable energy is excluded from the APPC because the power purchase cost of renewable energy was significantly higher than the conventional power. The intention was to limit the tariff to APPC as compared to the otherwise higher tariff for renewable sources. This is clear from the definition of APPC in the Regulation 2.1(d) of GERC (Net Metering Rooftop Solar PV Grid Interactive Systems) Regulations, 2016, which states as under:

“Average Power Purchase Cost” (APPC) means Weighted Average Pooled Price at which the distribution licensee has purchased the electricity including cost of self generation, if any, in the previous year from all the energy suppliers on long-term, medium-term and short-term basis, but excluding energy purchased from renewable energy sources”

2.6. In this regard the Statement of Reasons dated 06.10.2017 issued for First Amendment of GERC Net Metering Regulations states as under:

“1.2.....We note that the energy generated from Rooftop Solar Power Project setup at the consumer’s premises is required to be consumed at the same place and hence, will be beneficial to the licensee as well as the consumers as stated above. As regards, the contentions of the Torrent Power Limited that the consumers will be tempted to install higher capacity of the Rooftop Solar Power Projects than their requirement for their commercial interest, we are of view that most of the consumers are having limitation of space of rooftop at their place. Moreover, the cost of installation of Rooftop Project would also be burdensome to them since the eligibility criteria provides for ownership of the project by the rooftop owner who has to be the consumer of licensee. Further, they are eligible to receive only the APPC price for surplus energy injected into the grid instead of tariff determined by the Commission. The APPC price is quite lower as compared to the tariff being charged to the consumers by the distribution licensee. Thus, it is beneficial for the licensee to earn higher revenue from procurement of such power at lower cost which in turn will reduce the overall power purchase cost of the distribution licensee. Therefore, the contention of TPL is not acceptable and the same is rejected.”

2.7. Therefore, the intent was that APPC being a lower price/tariff to be given to such projects and ensure benefit to the licensee by reducing the overall power purchase cost in the interest of consumer at large.

2.8. It is submitted that there has been significant development in the field of setting up of Solar power projects, cost associated with it and consequently the cost for generation of solar power has significantly come down.

- 2.9. It is submitted that subsequent to notification of Order / Regulations by the Commission and Gujarat Solar Power Policy- 2015, competitive bidding route was introduced in year 2017 for purchase of solar power. In the competitive bidding process, the rate discovered for purchase of solar energy was comparatively much lower as against the prevailing APPC rate of Rs. 3.24 per unit. Under the scenario, the Commission vide letter dated 18.03.2017 has directed Distribution Licensees to procure electricity from Wind and Solar power projects through competitive bidding under Section 63 of the Electricity Act, 2003.
- 2.10. It is submitted that since the market rate for solar power was much lower than APPC rate, it was felt that the objective of providing for APPC as against the Solar power tariff no longer survives and it was felt imperative to apply competitive bidding rates for purchase of surplus energy. Accordingly, it was requested by the Petitioner to the Commission vide letter dated 15.09.2017 to approve competitive bidding rate for purchase of surplus Solar Power. Further, as per the directive issued by the Commission, GUVNL had filed Petition before the Commission being Petition No. 1727 of 2018 seeking approval for applicability of competitive bidding rate / 85% of competitive bidding rate on the basis of reasons / justifications contained in that Petition. It is pertinent to mention that when market rate of Solar power is much lower than APPC rate, in interest of general body consumers, the DISCOMs have been signing agreements on mutual consent basis providing for competitive bidding rates for purchase of surplus energy, as available on 1st April (as discovered during previous six months October- March) for the projects commissioned during April to September and as available on 1st of October (as discovered during previous six months April-September) for the projects commissioned during October to March.
- 2.11. It is further submitted that Government of Gujarat vide Resolution dated 27.06.2018 has implemented Surya Shakti Kisan Yojna (SKY) for agricultural pump sets wherein the rate for purchase of surplus power is Rs. 3.50 per unit for solar capacity set up by farmer under the scheme for agriculture pump sets. The Commission vide Order dated 29.10.2018 in the Petition No. 1729 of 2018 filed by the Petitioner, has approved the rate of Rs. 3.50 per unit for purchase of surplus energy from solar project set up under SKY Yojana.

- 2.12. Subsequently, Government of Gujarat vide GR dated 05.08.2019 has also notified SURYA- Gujarat Scheme for installation of solar rooftop capacity under Net-Metering arrangement by residential consumers. Under this Scheme, various capital financial support is provided to the residential consumers for setting up of solar rooftop capacity. Further, the rate for purchase of surplus power under the scheme by Distribution Licensee is suggested at Rs. 2.25 per unit and in this matter GUVNL, being Nodal Agency, for implementation of the Scheme has filed Petition before Commission being Petition No. 1821 of 2019 for approval of rate of Rs. 2.25 per unit applicable for purchase of surplus energy by Distribution Licensee from solar rooftop capacity to be set up under the SURYA – Gujarat Scheme.
- 2.13. It is further submitted that under the changed scenario of technological development and cost associated with installation and generation of Solar Power and with an aim to provide special dispensation in the Solar Power Policy for Micro, Small and Medium Enterprise (Manufacturing), Government of Gujarat vide GR dated 26.09.2019 amended the Solar Power Policy - 2015 so that MSME (Manufacturing) can arrange affordable power by setting up Solar capacity up to their consumption requirement. The said Policy provides for other terms and conditions including suggestion for rate of Rs. 1.75 per unit for purchase of surplus Solar Power from Solar capacity to be set up under the scheme for which GUVNL has filed Petition before the Commission seeking approval of rate of Rs. 1.75 per unit and terms and conditions for wheeling of power, as contained in the GR dated 26.09.2019.
- 2.14. It is submitted that present Petition is filed for approval of rate of Rs. 1.75 per unit for purchase of surplus energy by DISCOMs applicable to all solar capacity to be set up from the date of Order of the Commission approving the rate in the present Petition excluding solar capacity set up (i) under SKY notified by Government of Gujarat for which rate of Rs. 3.50 per unit is already approved by the Commission, (ii) residential Solar rooftop capacity set up under SURYA –Gujarat Scheme notified by Government of Gujarat for which approval for applicability of rate of Rs. 2.25 per unit is sought in Petition no: 1821 of 2019, (iii) Solar capacity set up under MSME Solar policy notified by Government of Gujarat for which Petition is filed for

approval of rate of Rs. 1.75 per unit for purchase of surplus energy to be made applicable from effective date of MSME Solar Policy GR dated 26.09.2019.

- 2.15. It is submitted that the proposal in the present Petition for applicability of rate of Rs. 1.75 per unit for purchase of surplus Solar power to all other Solar Projects except agricultural Solar capacity set up under SKY and residential rooftop capacity set up under SURYA- Gujarat Scheme is in line with the rate for purchase of surplus Solar power suggested in the Government GR dated 26.09.2019 so as to ensure uniformity in the rate applicable for purchase of surplus Solar energy and even otherwise, it is not justified to provide different rates to Solar capacity set up by MSME (Manufacturing) units set up under GR dated 26.09.2019 and Non-MSME (Manufacturing) Enterprises.
- 2.16. It is submitted that the suggestions for purchase of surplus power by DISCOMs at the rate of Rs. 1.75 per unit for all other solar projects and also provided in the aforesaid GR dated 26.09.2019, instead of rate discovered through competitive bidding process is based on the fact that (i) the technological development in the field of solar power generation has led to significant reduction in the capacity cost for Solar Power Project and consequently cost of solar power generation (ii) the Solar Power Project is preliminarily set up for self-consumption / third party sale and selling only incidental surplus power on infirm capacity basis to distribution licensee.
- 2.17. Under the scenario of significant reduction in capital cost of Solar Power Project, it is expected that substantial Solar capacity will be added by consumers to meet their power requirement at economical rate. Specifically, by industrial / service sector consumers which are presently cross subsidizing to other category of consumers such as BPL and Agriculture consumers. Consumption of large portion of power from Solar Power Projects by such cross-subsidizing consumers will consequently reduce the cross-subsidy contribution to DISCOMs which will adversely affect the tariff of other subsidized consumers. The approval of suggested rate of Rs. 1.75 per unit for purchase of incidental surplus power by DISCOMs from such Solar projects will in turn, help DISCOMs to provide power supply at reasonable rates to subsidized category of consumers. In light of these facts, it is reasonable and prudent to allow tariff of Rs. 1.75 per unit for purchase of surplus power from Solar

capacity preliminarily set up for self-consumption / third party sale so as to maintain equity between the project set up exclusively for sale to distribution licensee on firm capacity basis and the Solar projects selling only incidental surplus power on infirm capacity basis.

2.18. Since, the capital cost associated with setting up of solar power project and consequently the cost of solar power generation has come down significantly; from the grid management point of view also, it is imperative to ensure that the consumer set up solar capacity limited to their consumption requirement only and avoid excessive injection of solar surplus power in the grid. For this, the rate for purchase of surplus solar power has to be provided at lower than market rate of solar power and therefore it is proposed to apply lower rate of Rs. 1.75 per unit being lower than competitive bidding rate and in line with GR dated 26.09.2019.

2.19. It is submitted that the GERC (Net Metering Rooftop Solar PV Grid Interactive Systems) Regulations, 2016 provide for surplus power to be purchased by the distribution licensee from Rooftop Solar Power Project at the APPC rate as per Regulation 9.2. The Petitioner reiterates the purpose and status of various Petitions pending and requiring decision of the Commission as under:

- a) Petition No: 1727 of 2018 is in regard to rate for purchase of surplus solar power to be considered for all types of Solar Power Projects (Rooftop as well as ground mounted), to be tariff discovered through competitive bidding process / 85% competitive bidding tariff instead of APPC rate needs to be considered separately and the Commission is requested to approve the competitive bidding rate / 85% of competitive bidding rate as prayed in said Petition, applicable to all solar power projects set up till the date of approval of rate of Rs. 1.75 per unit by the Commission in the present Petition. However, it is clarified that the competitive bidding rates sought to be applied to projects set up till approval of rate of Rs. 1.75 per unit shall be applicable to all solar capacity except (i) agriculture solar capacity set up under SKY Yojna, (ii) Rooftop solar capacity set up under SURYA – Gujarat Scheme and (iii) solar capacity set up by MSME under GR dated 26.9.2019 for which rate of Rs. 1.75 per unit is sought to be applied in terms of effective date of GR dated 26.09.2019.

- b) Petition No: 1821 of 2019 is in relation to approval of rate of Rs. 2.25 per unit for purchase of surplus power from Solar rooftop capacity set up by residential consumers under SURYA-Gujarat Scheme, which needs to be considered separately as it is arising under Solar rooftop capacity set up by residential consumers under SURYA-Gujarat Scheme.
- c) Petition in the matter of approval of rate of Rs. 1.75 per unit for Solar capacity set up under MSME Solar Policy needs to be considered separately as it is arising under Solar capacity set under MSME Solar Policy Scheme and the rate of Rs. 1.75 per unit for purchase of surplus power is sought to be applied from the effective date of MSME Solar Policy.

2.20. It is submitted that as per the provisions of Section 86 of the Electricity Act, 2003, the Commission is empowered to approve the rate of Rs. 1.75 per unit for purchase of surplus power, which reads as under:

Section 86. (Functions of State Commission): --- (1) *The State Commission shall discharge the following functions, namely: -*

.....

b) regulate electricity purchase and procurement process of distribution licensees including the price at which electricity shall be procured from the generating companies or licensees or from other sources through agreements for purchase of power for distribution and supply within the State;

.....”

2.21. It is submitted that in terms of provision of the Electricity Act, 2003, the Commission has jurisdiction to entertain the present Petition and to decide on the prayer made therein.

3. Earlier, the matter was heard on 09.12.2019 by previous bench of this Commission and Daily Order dated 11.12..2019 was passed noting that the Petitioner has filed Petition No. 1821 of 2019, wherein it is prayed for amendment in the procurement prices for purchase of surplus power from Solar Rooftop Projects by distribution licensees under Surya Urja Rooftop Yojana (SURYA – Gujarat Scheme) notified by Government of Gujarat vide GR No. SLR11/2015/401/B1 dated 05.08.2019 and 07.09.2019 and also filed Petition No. 1825 of 2019, wherein it is prayed for amendment in the procurement prices for purchase of surplus power and other

charges and terms and conditions for wheeling of power from Solar Power Projects set up by the MSME (Manufacturing Enterprises) under Government of Gujarat GR No. SLR-11/2015/2442/B1 dated 26.09.2019 and deciding that the present matter be listed after disposal of above Petition No.'s 1821 of 2019 and 1825 of 2019.

4. Thereafter, the matter was heard afresh on 09.09.2021.
5. When the matter was called out, nobody was present on behalf of the Co-Petitioner No. 3 and 4.
6. Heard Shri V.T. Patel, on behalf of the Petitioner GUVNL. It is submitted that the present Petition was filed by the Petitioner alongwith its subsidiary distribution companies being Co-Petitioners for approval of tariff of Rs. 1.75 per unit for purchase of surplus solar energy from Solar Power Projects to be set up for wheeling of power for captive use/third party sale from the date of Order in present Petition by Distribution Licensees excluding solar capacity set up under Government of Gujarat notified (i) Surya Shakti Kisan Yagna, (ii) SURYA-Gujarat Scheme and (iii) MSME Solar Policy because at relevant time when the present Petition was filed, the control period of Solar Tariff Order No. 03 of 2015 dated 17.08.2015 had since expired.
- 6.1. Thereafter, independent of this Petition, the Commission has issued Solar Tariff Order No. 03 of 2020 on 08.05.2020 regarding "Tariff Framework for Procurement of power by Distribution Licensees from Solar Energy Projects and other Commercial Issues for the State of Gujarat" followed by Suo-Motu Order No. 06 of 2020 dated 05.08.2020; wherein the issue regarding purchase of surplus power after set off in case of Solar Power Projects availing Open Access for captive use/third-party sale by the concerned Distribution Licensee is decided by the Commission.
- 6.2. It is argued that the Commission may appropriately decide as to whether the present Petition becomes infructuous. Moreover, statement of the Petitioner may be taken on record that prayers of the Petitioner and Co-Petitioners stand satisfied, instead of filing any affidavit and may pass appropriate order for disposing the present matter.

7. We have considered the submissions made by the Petitioner. We note that the present Petition has been filed by the Petitioner alongwith its subsidiary distribution companies as Co-Petitioners under Sections 62, 86 and other applicable provisions of the Electricity Act, 2003 read with the GERC (Procurement of Energy from Renewable Sources) Regulations, 2010 and the GERC (Net Metering Rooftop Solar PV Grid Interactive Systems) Regulations, 2016, for approval of tariff of Rs. 1.75 per unit for purchase of surplus energy by distribution licensees from all Solar Power Projects to be set up for wheeling of power for captive use/third party sale from the date of Order in present Petition excluding Solar capacity set-up under certain Government of Gujarat Policies in absence of any Solar Tariff Order at relevant point of time.
- 7.1. We note that the genesis of filing present matter at relevant time before the Commission as stated in the Petition is as under:
- 7.1.1. The Commission vide its Order No. 3 of 2015 dated 17.08.2015 had determined tariff and other commercial aspects for wheeling of Solar power including the rate for purchase of surplus energy by Distribution Licensees after giving adjustment of wheeled energy at recipient unit and also notified the GERC (Net Metering Rooftop Solar PV Grid Interactive Systems) Regulations, 2016 vide Notification No. 5 of 2016 applicable for the grid connected Solar Rooftop Photovoltaic System in the State of Gujarat. As per the provisions of GERC Solar Rooftop Net Metering Regulations, net surplus power injected from the solar rooftop project is to be purchased by the concerned distribution licensee at the APPC rate (if RE attribute is given to distribution licensee) / 85% of APPC rate (if RE attribute is not given to distribution licensee), as the case may be.
- 7.1.2. Even, the Government of Gujarat GR No: SLR-11/2015/2442/B dated 13.08.2015 had notified Solar Power Policy – 2015, which also provided for purchase of surplus energy from solar power project by Distribution Licensees at APPC / 85% of APPC rate, as the case may be.
- 7.1.3. Above provisions in regard to purchase of surplus power at APPC rate / 85% of APPC from the Solar Power projects availing open access for captive use/third party sale was based on the facts that under the then prevailing scenario, the generation

cost and consequently the tariff for Solar Power Projects was much higher than APPC rate of Distribution licensee and therefore as a balancing of interest, the rate for purchase of surplus power from these Solar Power projects was kept at APPC rate/85% of APPC rate so that additional burden on the general body of consumers can be minimized being payment for surplus energy at lower than preferential tariff i.e. at APPC rate.

- 7.1.4. The Petitioner relying on definition of APPC stated in the Regulation 2.1(d) of the GERC (Net Metering Rooftop Solar PV Grid Interactive Systems) Regulations has averred that as per said definition renewable energy is excluded from the APPC possibly because of cost of renewable energy was significantly higher than the conventional power and the intention was to limit the tariff to APPC as compared to the otherwise higher tariff for renewable sources.
- 7.1.5. Also, relying on para 1.2 of the Statement of Reasons dated 06.10.2017 issued for First Amendment of GERC Net Metering Regulations, wherein it is mentioned that the APPC price is quite lower as compared to the tariff being charged to the consumers by the distribution licensee and thus, it is beneficial for the licensee to earn higher revenue from procurement of such power at lower cost which in turn will reduce the overall power purchase cost of the distribution licensee. Therefore, the intent was that APPC being a lower price/tariff to be given to such projects and ensure benefit to the licensee by reducing the overall power purchase cost in the interest of consumer at large. It is submitted that there has been significant development in the field of setting up of Solar power projects, cost associated with it and consequently the cost for generation of solar power has significantly come down.
- 7.1.6. Moreover, subsequent to issuance of above Order / notifying Regulation and Gujarat Solar Power Policy 2015, competitive bidding route was introduced in year 2017 for purchase of Solar Power wherein, the rate discovered for purchase of Solar energy was comparatively much lower as against the prevailing APPC rate of Rs. 3.24 per unit. Under the scenario, the Commission vide letter dated 18.03.2017 directed the distribution licensees to procure electricity from Wind and Solar power projects through competitive bidding under Section 63 of the Electricity Act, 2003. Hence, according to the Petitioner objective of providing APPC as against the Solar

Power tariff no longer survived and it was felt imperative to apply competitive bidding rates for purchase of surplus energy. Accordingly, Petitioner GUVNL had also filed Petition No. 1727 of 2018 seeking approval of the Commission for applicability of competitive bidding rate / 85% of competitive bidding rate since when market rate of Solar power being much lower than APPC rate, it was in interest of general body of consumers and accordingly, agreement were being signed on mutual consent basis providing for competitive bidding rates for purchase of surplus energy, as available on 1st April (as discovered during previous six months October- March) for the projects commissioned during April to September and as available on 1st October (as discovered during previous six months April-September) for the projects commissioned during October to March.

7.1.7. Thereafter, Government of Gujarat notified different schemes as under:

- (a). Surya Shakti Kisan Yojna (SKY) vide GR dated 27.06.2018 for agricultural pump sets wherein the rate for purchase of surplus power is Rs. 3.50 per unit for solar capacity set up by farmer and the Commission vide Order dated 29.10.2018 in the Petition No. 1729 of 2018 filed by the Petitioner, has approved the rate of Rs. 3.50 per unit for purchase of surplus energy from Solar project set up under SKY Yojana.
- (b). SURYA- Gujarat Scheme vide GR dated 05.08.2019 for installation of Solar rooftop capacity under Net-Metering arrangement by residential consumers. Under this Scheme, various capital financial support is provided to the residential consumers for setting up of solar rooftop capacity and rate for purchase of surplus power under the scheme by distribution licensee is suggested at Rs. 2.25 per unit. Petitioner GUVNL being Nodal Agency in this matter for implementation of the Scheme also filed Petition before Commission being Petition No. 1821 of 2019 for approval of rate of Rs. 2.25 per unit applicable for purchase of surplus energy by Distribution Licensee from solar rooftop capacity to be set up under the SURYA – Gujarat Scheme.
- (c). Also, under the changed scenario of technological development and cost associated with installation and generation of Solar Power and with an aim to provide special dispensation in the Solar Power Policy for Micro, Small and Medium Enterprise (Manufacturing), Government of Gujarat vide GR

dated 26.09.2019 amended the Solar Power Policy 2015 providing for other terms and conditions including rate of Rs. 1.75 per unit for purchase of surplus Solar power from Solar capacity to be set up under the scheme for which GUVNL has filed Petition before the Commission seeking approval of rate of Rs. 1.75 per unit and terms and conditions for wheeling of power, as contained in the GR dated 26.09.2019.

7.1.8. Therefore, the proposal in the present Petition for applicability of rate of Rs. 1.75 per unit for purchase of surplus Solar power to all other Solar Projects except agricultural Solar capacity set up under SKY Yojna and residential rooftop capacity set up under SURYA- Gujarat Scheme is in line with the rate for purchase of surplus Solar power suggested in the Government GR dated 26.09.2019 so as to ensure uniformity in the rate applicable for purchase of surplus Solar energy and even otherwise, it is not justified to provide different rates to Solar capacity set up by MSME (Manufacturing) units set up under GR dated 26.09.2019 and Non-MSME (Manufacturing) Enterprises. Moreover, the suggestion for purchase of surplus power by DISCOMs at the rate of Rs. 1.75 per unit for all other solar projects and also provided in the aforesaid GR dated 26.09.2019, instead of rate discovered through competitive bidding process is based on the fact that (i) the technological development in the field of solar power generation has led to significant reduction in the capacity cost for Solar Power Project and consequently cost of solar power generation (ii) the Solar Power Project is preliminarily set up for self-consumption / third party sale and selling only incidental surplus power on infirm capacity basis to distribution licensee.

7.1.9. Further, with significant reduction in capital cost of Solar Power Project it is expected that substantial Solar capacity will be added by consumers to meet their power requirement at economical rate specifically, by industrial / service sector consumers which are presently cross subsidizing to other category of consumers such as BPL and Agriculture consumers. Consumption of large portion of power from Solar Power Projects by such cross-subsidizing consumers will consequently reduce the cross-subsidy contribution to DISCOMs which will adversely affect the tariff of other subsidized consumers. The approval of suggested rate of Rs. 1.75 per unit for purchase of incidental surplus power by DISCOMs from such Solar projects will in turn, help DISCOMs to provide power supply at reasonable rates to

subsidized category of consumers. In light of these facts, it is reasonable and prudent to allow tariff of Rs. 1.75 per unit for purchase of surplus power from Solar capacity preliminarily set up for self-consumption / third party sale so as to maintain equity between the project set up exclusively for sale to distribution licensee on firm capacity basis and the Solar projects selling only incidental surplus power on infirm capacity basis.

- 7.1.10. Since, the capital cost associated with setting up of Solar Power project and consequently the cost of Solar power generation having come down significantly; from the grid management point of view also, it is imperative to ensure to avoid excessive injection of infirm surplus Solar power in the grid and rate for purchase of surplus solar power has to be provided at lower than market rate
- 7.1.11. Moreover, instead of rate discovered through competitive bidding process proposal for purchase of surplus power by DISCOMs at the rate of Rs. 1.75 per unit for all Solar Power project, wheeling power for captive purpose is based on the fact that (i) the technological development in the field of Solar power generation has led to significant reduction in the capacity cost for Solar Power project and consequently cost of Solar power generation (ii) the Solar power project is preliminarily set up for self-consumption / third party sale and selling only incidental surplus power on infirm capacity basis to distribution licensee.
- 7.1.12. Moreover, the GERC (Net Metering Rooftop Solar PV Grid Interactive Systems) Regulations, 2016 provide for surplus power to be purchased by the distribution licensee from Rooftop Solar Power Project at the APPC rate. Also, the purpose of filing Petition No. 1727 of 2018 was for approval of purchase of surplus power available from the Solar Project @ 85% of competitive bidding rate, till the rate of Rs. 1.75 per unit is approved in the Petition. The aforesaid rate excluded for (i) agriculture Solar capacity set up under SKY scheme, (ii) Rooftop Solar Capacity setup under SURYA-Gujarat Scheme and (iii) Solar Capacity setup by MSME under GR dated 26.09.2015 for which rate of Rs. 1.75 per unit was sought as per GR dated 26.09.2015 of Government of Gujarat. While, Petition No. 1821 of 2019 has been filed in relation to approval of Rs. 2.25 per unit for purchase of surplus Solar Rooftop power setup by the residential consumers under SURYA Gujarat Scheme and Petition No. 1825 of 2019 for approval of rate of Rs. 1.75 per unit for Solar capacity

set up under MSME Solar Policy filed by the Petitioner before the Commission being different, the present Petition needs to be considered separately from above Petitions by the Commission.

7.2. We note that prior to filing present Petition, the Petitioner GUVNL alongwith Co-Petitioners' subsidiary distribution companies had filed Petition No. 1727 of 2018 under the provisions of GERC (Procurement of Energy from Renewable Sources) Regulations, 2010 and GERC (Net Metering Rooftop Solar PV Grid Interactive Systems) Regulations, 2016 and Order dated 17.08.2015 in the matter of determination of Tariff for procurement of power by Distribution Licensees and Others from solar energy projects seeking:

- (i). initiation of the proceedings for bringing amendments in the relevant Orders/Regulations specifically provisions in relation to directing distribution licensees to purchase surplus energy in case of Solar Power projects availing OA for captive use / third party sale;
- (ii). to decide the rate for purchase of surplus power from Solar power (Rooftop) projects and
- (iii). to amend the provisions of the GERC (Net Metering Rooftop Solar PV Grid Interactive Systems) Regulations, 2016 readwith its first amendment dated 13.06.2017.

The Petitioner in above Petition apart from requesting that Commission may initiate proceedings for bringing necessary modifications in terms of above, in the GERC (Procurement of Energy from Renewable Sources) Regulations, 2010, GERC (Net Metering Rooftop Solar PV Grid Interactive Systems) Regulations, 2016 including certain clarifications/modifications in the relevant Regulation/Clause referred in the Petition and Order dated 17.08.2015 in the matter of determination of Tariff for Procurement of Power by Distribution Licensees and Others from Solar Energy Projects and proposed to modify the provisions for purchase of surplus energy by Distribution Licensees in case of Solar Power projects availing OA for captive use/third party sale, as under:

Existing	Revised
(A)	If RE Attribute is given to DISCOM by the Developer

At APPC	At APPC or at lowest rate discovered during previous six months through competitive bidding process anywhere in India whichever is lower shall be applicable.
(B)	If RE Attribute is not given to DISCOM by the Developer
At 85% of APPC	At 85% of APPC or 85 % of lowest rate discovered during previous six months through competitive bidding process anywhere in India whichever is lower shall be applicable.
For the purpose of lowest competitive rate, the lowest rate available as on 1 st April (as discovered during previous six months October-March) applicable for the project commissioned during April-September. Similarly, the lowest rate available as on 1 st October (as discovered during previous six months April-September) applicable for the project commissioned during October-March.	

7.3. Above Petition No. 1727 of 2018 was disposed by the Commission vide its Order dated 22.11.2019 deciding as under:

“.....

16. *In view of above observation, the Petition is partly allowed. We decide as under:*

- i) The prayer of the Petitioner to purchase surplus energy available from rooftop and solar power projects availing open access for captive use/third party sale at the rate of lower of APPC or lowest discovered competitive bidding rate is not approved. However, the staff of the Commission is directed to initiate the process of revising the relevant regulations as decided above at para 15.44.*
- ii) With regard to other amendments in GERC (Net-Metering Roof-Top Solar PV Grid Interactive Systems) Regulations, 2016, the staff of the Commission is directed to initiate the process of revising the relevant provisions as decided at para 15.46, 15.47, 15.50 and 15.53 above.*

17 *We order accordingly.*

18. *With this Order, the present petition is disposed of*

.....”

7.4. Moreover, prior to above, the Commission in Petition No. 1729 of 2018 filed by the four subsidiary distribution companies of Petitioner GUVNL and Co-Petitioners' herein, for implementation of 'Suryashakti Kisan Yojna' (SKY) scheme notified by Government of Gujarat vide Resolution dated 27.06.2018 to allow (i) rate of Rs. 3.50 per unit for purchase of surplus solar power by DISCOMs and in case of net drawal of power by participating farmer from grid on billing cycle basis will be charged at Rs. 3.50 per unit from metered and un-metered consumers, and (ii) non levy of fixed / minimum charges from participating agriculture consumers had also passed an

Order dated 29.10.2018 and at para 6 of the said Order, the Commission has decided as under:

“

6. After evaluation of the oral submissions and documentary evidences available on record and taking in to consideration the submissions made by the parties, we are of the view to support the implementation of “Suryashakti Kisan Yojna” (SKY) as a pilot project. As submitted by the petitioner that the scheme is being implemented on 137 number of agricultural feeders covering 1,24,000 numbers of agricultural connections in 33 district of the State with a proposed investment of Rs. 900 crores. Since this scheme is being implemented for the first time and as a pilot project, the Commission would advise the licensee to go in for lower number of feeders say, 50 feeders or so and conduct cost benefits analysis after the results of two quarters and then implement the scheme based on the results.

The Commission understands that this scheme is being implemented in the interest of farmers and therefore the Commission is also concerned that the farmers must get the benefit of this scheme. Accordingly, the Commission allows 4 State owned DISCOMs to implement the scheme as a pilot project subject to compliance of the following directions:

- (1) This scheme will be optional for participation by the farmers.
- (2) Information booklet covering all the details regarding the scheme in simple Gujarati language should be provided to all participating farmers / consumers.
- (3) For redressal of any grievance arising out of this scheme, a nodal officer shall be designated by the DISCOMs at the Division level. If the grievances are not addressed by the nodal officer within 30 days, the grievances shall be transferred to CGRF for necessary speedy resolution as per the Regulations.
- (4) The licensee shall submit details of number of feeders, number of farmers who opted for the scheme, energy purchased from farmers, amount paid to farmers, losses in selected feeders, cost and benefit of the scheme etc. to the Commission after the end of the current financial year.
- (5) After receiving the above details, the Commission shall take a final view on the proposal of the petitioner to charge a tariff of Rs. 3.50/Unit for net energy consumed by the farmers, in order to protect the interest of farmers. Till such time the Commission decides, the licensee shall charge the regular tariff as applicable to relevant category.

7. We order accordingly.

8. With this order, the present petition is disposed of
.....”

7.5. The Petitioner and Co-Petitioners had also filed Petition No. 1802 of 2019 seeking approval for procurement of power under the Government of Gujarat “Policy for Development of Small Scale Distributed Solar Power Projects-2019”. In the said Petition, the Commission has passed an Order dated 08.08.2019 and decided tariff for purchase of power under Government of Gujarat “Policy for Development of Small Scale Distributed Solar Power Projects-2019” as under:

“.....

14. *In view of the above, we decide to approve the mechanism of applicable tariff for purchase of power under the Government of Gujarat Policy for development of Small Scale Distributed Solar Projects – 2019 as proposed by the Petitioner with the following directives:*

1. *The Petitioner shall place on its website the applicable tariff on which it will buy the energy generated from Small Scale Distributed Solar Power Projects of the capacity of 0.5 to 4 MW.*
2. *The rate will be updated every 6 months.*
3. *The Petitioner shall submit a statement showing the details of PPAs executed with the Small Scale Distributed Solar Power Projects Generators to the Commission at the end of every quarter beginning from 01.04.2020 onwards.*

.....”

7.6. Even, in Petition No. 1821 of 2019 filed by the Petitioner GUVNL, seeking approval of rate of Rs. 2.25 per unit for purchase of surplus power from Solar Rooftop Projects set up under Surya Urja Rooftop Yojana (SURYA – Gujarat Scheme) notified by Government of Gujarat vide GR No. SLR-11/2015/401/B1 dated 05.08.2019 and GR dated 07.09.2019, the Commission passed an Order dated 16.12.2019 deciding as under:

“.....

5. *We have considered the submissions made by all the parties concerned and the following issues have emerged for the decision of the Commission.*

Issue – I

5.1. *Whether the petition is admissible or not?*

5.1.1. *The Commission after considering the objections / suggestions of the objectors in Petition No. 1727/2018 wherein the petitioner has requested for*

amendment in the Regulation with respect to number of issues including tariff payable to consumers for injection of surplus power generated from solar rooftop has disposed of vide order dated 22.11.2019. Since Commission has already passed a detailed order in petition No. 1727 /2018 the contention of the objectors are not sustainable and rejected.

Issue – II

5.2. Whether the present Net Metering Regulation needs to be amended for addressing the subject matter of this petition?

5.2.1. The petitioner has submitted that the present petition is to be considered separately as they are arising under solar power project setup under government GR. They have submitted that the Commission has authority to relax / remove difficulty and issue directions.

5.2.2. After examining the contents of the petition and objections/suggestions received, petitioners and objectors' submissions and arguments, the Commission is of the view that setting up of solar rooftop by any consumer in the State shall require net metering for energy accounting and sale of surplus power to Discoms. Therefore, to prescribe any rate to a consumer category and other terms and conditions, it is necessary to incorporate such provision and make any amendment in the Regulation and it has to be done after following due process of law. The Commission do not agree with the plea of the petitioner that provisions of the State government policy can be implemented without considering the provisions of the Net Metering Regulations prescribed under the Electricity Act, 2003. The procedure of making the amendment in the Regulations has already been dealt with in Commission's order in petition No. 1727 of 2018 and therefore there is a need to amend the present regulation.

Issue – III

5.3. Whether the tariff of surplus power should reflect adequate return on investment and should be determined under section 62 of Electricity Act 2003.?

5.3.1. The Commission has noted the concerns of the objectors that there should be similar treatment of solar rooftop owners with Generators who produce energy exclusively for sale to the licensee and therefore their tariff should be decided on the basis of total cost of installation, amount of loan, O&M expenses and other costs etc.

5.3.2. As discussed in the Commission's order dated 22.11.2019 in petition No. 1727 of 2018, we are of the view that the solar rooftop and solar power projects setup for captive use / third party sale primarily use energy for self-consumption and therefore it is not reasonable to compare the captive power projects with other generating stations setup exclusively for sale of electricity to distribution licensee. Accordingly, procurement rate for surplus energy injected into licensee's Grid after self-consumption should be treated differently. The Commission is of the view that

solar rooftop needs to be promoted for self-consumption of energy by its owner and the surplus after self-consumption which is of infirm nature should be compensated by the licensee at some reasonable price. The demand of the objector that solar rooftop should get similar treatment and price as other generators are getting seems to be unreasonable.

5.3.3. The Commission cannot overlook that by using solar rooftop, the revenue of the licensee is also affected because the sale of electricity to those consumers who are using solar rooftop is reduced. Therefore, while deciding the compensation to a consumer for injecting infirm solar energy into the licensee's Grid, the above issue needs to be considered.

5.3.4. As regards to publication of draft regulations, it is to be noted that Commission has already dealt with this issue in its order dated 22.11.2019 in petition No. 1727 and decided that without issuing amendment in the Regulation by the Commission it is not permissible for any change in the Regulations by distribution licensee and make that available to affected persons. The Commission has decided that the amendment in the Regulation will be effective from the date of notification after following the due process of law which would be prospective and not retrospective. The Regulations notified by the Commission are sub legislative and hence any change in it is permissible only after making necessary amendment in the Regulation.

5.4. In view of the above observations, we decide as under:

- (i) The prayer of the petitioner to purchase surplus energy available from the solar rooftop installed under the Surya Urja Rooftop Yojana (SURYA-Gujarat) at Rs. 2.25 per unit is considered subject to finalization of amendment in the Net Metering Regulations. The staff of the Commission is directed to initiate the process of publication of draft amendment in Net Metering Regulation incorporating the changes as above and such other terms and conditions as decided by the Commission with respect to Net Metering Regulations. The Commission shall invite objections and 16 suggestions on the draft as per the standard procedure in accordance with the Regulations and therefore all stakeholders will get a fair chance to place their suggestions/objections on the draft Regulations.*

6. We order accordingly

*7. With this order the petition stands disposed of.
....."*

- 7.7. Also, the Petitioner GUVNL had filed Petition No. 1825 of 2019 seeking approval of rate of Rs. 1.75 per unit for purchase of surplus electricity from Solar Power Projects set up under Government of Gujarat GR No. SLR-11/2015/2442/B1 dated 26.09.2019 titled as amendment in Gujarat Solar Policy 2015 (MSME Manufacturing

Enterprises) and proposing that other terms and conditions including energy accounting methodology as provided in aforesaid Government of Gujarat GR for solar power projects setup by MSME manufacturing enterprises be approved. The Commission passed an Order dated 17.12.2019 deciding as under:

“.....

7. *In view of the above observations, we decide that the prayers of the petitioner to purchase surplus energy available from MSME under GR No.SLR11/2015/2442/B1 dated 26.09.2019 at Rs. 1.75 per unit and other terms and conditions are considered subject to finalization of amendment in the Net Metering Regulations. Staff of the Commission is directed to initiate the process for publication of draft amendment in Net Metering Regulations incorporating the changes as above and such other terms and conditions as decided by the Commission for all class of consumers. The Commission shall invite objections/suggestions on the draft amendment in the regulation as per the standard procedure in accordance with the law and therefore all stakeholders will get fair chance to place their suggestions/objections on the draft regulation.*

8. *We order accordingly*

9. *With this order the petition stands disposed of.*

.....”

7.8. Subsequently, the Commission having noted in various Petitions as above regarding the need of revisiting the Gujarat Electricity Regulatory Commission (Net Metering Rooftop Solar PV Grid Interactive Systems) Regulations, 2016 (Notification No. 5 of 2016) and directing staff of the Commission to initiate the process in this regard, a Draft Amendment Regulations dated 18.12.2019 for amending relevant clauses of above Net Metering Regulations was published by the Commission and Public Notices were issued seeking suggestions/objections from various stakeholders. After public hearing on 16.01.2021 on above amendment, the Commission notified the GERC (Net Metering Rooftop Solar PV Grid Interactive Systems) (Second Amendment) Regulations, 2020 vide Notification No. 2 of 2020 dated 23.01.2020 amending certain clauses of above Net Metering Regulations and ‘Interconnection Agreement’ at Annexure IV to Principal Regulations as under:

- (i). Amendment in Regulation 2.1 of the Principal Regulations by addition of New Definition clause (oa) “Micro, Small and Medium (Manufacturing) Enterprise or MSME (Manufacturing)” after existing clause (o) in Regulation 2.1 of the Principal Regulations,

- (ii). Amending second para in Regulation 5 of the Principal Regulations,
- (iii). Amendment in first para of Regulation 6.2 of the Principal Regulations as well as amended Regulation (First Amendment),
- (iv). Amendment in Regulation 7 of the Principal Regulations including in table at Sr. No. 11 Sub activity No. 5,
- (v). Amendment in Regulation 9 (Energy Accounting and Settlement) of the Principal Regulations and replacing provisions of:
 - (a). Regulation 9.1 - For Residential and Government Consumers
 - (b). Regulation 9.2 - For Industrial other than MSME (Manufacturing) Enterprise, Commercial and Other Consumers utilizing the 'energy attribute' of the generated solar energy from the Rooftop Solar PV System and not registered under REC mechanism
 - (c). Regulation 9.3 - For MSME (Manufacturing) Enterprise Consumers utilizing the 'energy attribute' of the generated solar energy from the Rooftop Solar PV System and not registered under REC mechanism.
 - (d). Regulation 9.4 - For Industrial, Commercial and Other Consumers utilizing the 'energy attribute' of the generated solar energy from the Rooftop Solar PV System and utilizing the 'renewable attribute' for RPO compliance.
 - (e). Regulation 9.5 - For Industrial, Commercial and Other Consumers utilizing the 'energy attribute' of the generated solar energy from the Rooftop Solar PV System and utilizing the 'renewable attribute' for REC.

It is also specified that the energy accounting and settlement for wheeling power from solar projects other than Rooftop set up for self-consumption purpose shall be in line with the provision at Regulation 9.2 to Regulation 9.5. and in the event of any amount payable by the concerned DISCOM at the end of billing cycle, the same shall be shown as credit and to be carried forward in the next billing cycle. At the end of Financial Year, if the credit amount for the consumer is more than Rs. 100/- , such credit amount shall be paid by the concerned DISCOM to the consumer. In case the credit amount at the end of the Financial Year is less than Rs. 100/-, the same shall be carried forward in the next billing cycle of the following Financial Year.

- (vi). Amendment in Regulation 13.5 of the Principal Regulations,
- (vii). Deletion of both the diagrams under "Net Metering configuration options" i.e. (1) Two meter configuration without storage and (2) Two meter configuration with storage of the Principal Regulations
- (viii). Amendment in Clauses 7 (A) (ii) of Annexure IV to Principal Regulations pertaining to Interconnection Agreement between Distribution Licensee and Solar Rooftop PV Project Owner.

- (ix). Amendment in Clause 7 (B) (a) (ii) of Annexure IV to Principal Regulations pertaining to Interconnection Agreement between Distribution Licensee and Rooftop PV Project Owner.
- (x). Addition of new Clause 7(B)(a)(iii) after Clause 7(B)(a)(ii) of Annexure IV to Principal Regulations pertaining to Interconnection Agreement between Distribution Licensee and Page 12 Rooftop PV Project Owner.
- (xi). Amendment in Clause 7 (B) (b) (ii) of Annexure IV to Principal Regulations pertaining to Interconnection Agreement between Distribution Licensee and Solar Rooftop PV Project Owner.
- (xii). Amendment in Clauses 7 (B) (c) (ii) of Annexure IV to Principal Regulations pertaining to Interconnection Agreement between Distribution Licensee and Solar Rooftop PV Project Owner
- (xiii). Amendment in Clause 1.3 of Annexure IV of the Principal Regulations.

7.9. It is to be noted that during the pendency of present Petition, the Commission has passed following Orders in respect of Solar Power:

- (a). Order No. 3 of 2020 dated 08.05.2020 deciding the 'Tariff Framework for Procurement of Power by Distribution Licensees from Solar Energy Projects and Other Commercial Issues for the State Of Gujarat';
- (b). Suo-Motu Order No. 06 of 2020 dated 05.08.2020 in matter of 'Order No. 3 of 2020 dated 08.05.2020 for Tariff Framework for Procurement of Power by Distribution Licensees from Solar Energy Projects and Other Commercial Issues for the State Of Gujarat';

7.10. Further, pursuant to Solar Power Policy-2021 notified by the Government of Gujarat vide GR No: SLR-11/202020/77/B1 dated 29.12.2020, the Commission vide its Order dated 11.06.2021 in Petition No. 1936 of 2021 has decided as under:

".....

ORDER

33. In view of the above, the present petition partly succeeds and order to the following effect is passed:

- 1) *The Order No. 3 of 2020 dated 8.05.2020 read with Suo-Motu Order No. 6 of 2020 dated 05.08.2020 stands amended from the date of order of this petition as decided above. The solar power projects which are commissioned prior to the date of order shall be governed by the provisions of earlier Order No. 3 of 2020 dated 8.05.2020 read with Suo-Motu Order No. 6 of 2020 dated 05.08.2020.*

- 2) *The prayer made in the Petition regarding qualifying group captive generating plant based on Gujarat Solar Power Policy, 2021 is rejected. The captive generating plants fulfilling criteria of ownership and consumption on annual basis as specified in Electricity Rules, 2005 qualify as Captive Generating Plant.*
- 3) *The capacity of plant, banking facilities, energy accounting and surplus energy injection for the residential consumers, captive consumption, third party sale, REC based projects, and RPO compliance based projects for different consumers i.e. (i) Residential, (ii) MSME manufacturing, (iii) LT non demand based, (iv) LT demand based, and (v) HT/EHV consumers, as prayed for in the Petition are accepted and allowed. (see Table-A at para 32.1)*
- 4) *The amendments sought for in provisions regarding Cross subsidy surcharge, additional surcharge, wheeling charge and wheeling losses as prayed for in the Petition are accepted and allowed.*
- 5) *The Commission shall under take separate procedure for amendment in the GERC (Net Metering Rooftop Solar PV Grid Interactive Systems) Regulations, 2016 and amendments thereto.*
- 6) *The staff of the Commission is directed to process for amendment in the GERC (Net Metering Rooftop Solar PV Grid Interactive Systems) Regulations, 2016 based on the decision made in present petition with consideration of the provisions of the Electricity Act, 2003 and Gujarat Solar Power Policy 2021 and Electricity (Rights of Consumers) Rules, 2020 and follow the procedure specified for pre-publication etc. prior to notification of the regulations.*

34. *This Petition stands disposed of accordingly.*

.....”

- 7.11. Further, the Commission on 06.07.2021 also issued ‘Corrigendum in Order dated 11.06.2021 in Petition No. 1936 of 2021.
- 7.12. In view of above, the prayers of the Petitioners in the present Petition are satisfied. However, with regard to the prayer of the Petitioner that tariff of Rs. 1.75 per unit for purchase of surplus solar energy from Solar Power Projects to be set up for wheeling of power for captive use/third party sale from the date of Order in present Petition by Distribution Licensees excluding solar capacity set up under Government of Gujarat notified (i) SKY Yogna, (ii) SURYA-Gujarat Scheme and (iii) MSME Solar Policy, it is clarified that the above shall be in accordance and conformity with the decision of the Commission in its relevant Orders/Regulations.

Therefore, the prayers sought in present Petition do not survive now being already satisfied and become infructuous.

7.13. We also take on record the statement of the Petitioner GUVNL that the Commission has issued Solar Tariff Order No. 03 of 2020 on 08.05.2020 regarding “Tariff Framework for Procurement of power by Distribution Licensees from Solar Energy Projects and other Commercial Issues for the State of Gujarat” followed by Suo-Motu Order No. 06 of 2020 dated 05.08.2020; wherein the tariff payable for the surplus solar energy, if any, available after set off in case of such energy wheeled under the captive or third party sale by the generator/consumer and therefore, the prayers of the Petitioner are satisfied/fulfilled. Further, the Commission in its Order dated 11.06.2021 in Petition No. 1936 of 2021 decided rates for surplus energy available as sale to the licensee. Thus, the Commission has decided regarding applicability of tariff for surplus energy available from Solar Project and accordingly, the present matter may be disposed by the Commission.

7.14. In so far as the prayers of the Petitioner alongwith Co-Petitioners distribution licensees in present Petition are concerned, since the Commission in above referred Orders decided the rates for procurement of surplus power, available from Solar Projects under different schemes at relevant point of time. Hence, no further order is required and the matter stands disposed of accordingly.

7.15. We order accordingly.

Sd/-
[S. R. Pandey]
Member

Sd/-
[Mehul M. Gandhi]
Member

Place: Gandhinagar.
Date: 16/11/2021.