

**RAJASTHAN ELECTRICITY REGULATORY COMMISSION, JAIPUR**

In the matter of

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

**Coram:**

Dr. B.N. Sharma, Chairman

Shri Hemant Kumar Jain, Member

Dr. Rajesh Sharma, Member

**Date of Order:**

**07.02.2024**

**ORDER**

1. The Commission issued Rajasthan Electricity Regulatory Commission (Grid Interactive Distributed Renewable Energy Generating Systems) Regulations, 2021 (hereinafter 'RERC DREGS Regulations 2021') on 08.04.2021. The 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."*

2. The RERC DREGS Regulations 2021 at regulation 3.4 further provides 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:  
....."*

3. Further , 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:"*

4. 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.
5. 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.
6. In view of the RERC DREGS Regulations 2021 and MOP ROC Amendment Rules 2021 , the Commission vide suo-motu order dated 07.09.2021 had decided that net metering arrangement shall be

applicable for loads upto five hundred kilowatt (500 kW) or upto the sanctioned load, whichever is lower, for all categories of the consumers.

7. Further, vide regulation 7 of the RERC DREGS Regulations 2021, the Commission is empowered to allow the net metering for RE generating system up to one megawatt, subject to the condition that maximum capacity shall not exceed 100% of the sanctioned Load/Contract Demand of the consumer. Regulation 7 is extracted as below :

*"7. Eligible Consumer and Individual Project Capacity*

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*7.2 The maximum Renewable Energy generating system capacity to be installed at any Eligible Consumer's premises shall not exceed 100% of the Sanctioned Load/Contract Demand of the consumer:*

*Provided that, the capacity of the Renewable Energy generating system shall be in conformity with the provisions relating to the Sanctioned Load or Contract Demand permissible under the Rajasthan Electricity Regulatory Commission (Electricity Supply Code and Connected Matters) Regulations, 2021 and subsequent amendments thereto.*

*7.3 The capacity of Renewable Energy generating system to be installed at the premises of any Eligible Consumer shall be more than one kilo watt under Net Billing arrangement or Net Metering arrangement subject to the condition as specified in Regulation 7.2:*

*Provided that, the capacity of Renewable Energy generating system to be installed at the premises of any Eligible Consumer shall be up to one mega-watt under Net Metering arrangement or Net Billing arrangement:*

*Provided further that, in case the Eligible Consumer intends to install Renewable Energy generating system having capacity of more than one mega-watt, terms and conditions of such arrangement shall be governed as per the Rajasthan Electricity Regulatory Commission (Terms and Conditions for tariff determination from Renewable Energy Sources) Regulations, 2020 and subsequent amendments thereof."*

8. The Commission observes that Government of India has set a target of 500 Giga-Watts (GW) of renewable energy capacity by 2030. The Govt of India is also promoting rooftop solar rooftops through recently launched PM Suryodaya Yojana.
9. The Rajasthan Government has also set a target of 90 GW Renewable Energy by 2030 vide its RE Policy 2023. The RE Policy 2023 of Rajasthan also aims for promotion of Rooftop Solar Projects through Net Metering and Gross Metering mechanism or in any other manner as per the provisions of Electricity Act, 2003 . Rajasthan has the highest potential of 142 GW of solar capacity in the Country and approx. 25% of country's total solar capacity of 73 GW is installed in Rajasthan. However , the installed capacity of Rooftop Solar plants in Rajasthan is only 1 GW out of total installed capacity of 11 GW in the country. The Total penetration of Rooftop Solar in Rajasthan in total energy basket of Discoms is not even 2%. In view of this, it can be said that higher penetration of Roof Top Solar is the need of the hour.
10. The Commission further observes that lately there has also been a power shortage in the State forcing Discoms to purchase costly power from exchanges. The State also has a target of day time power supply to Agriculture consumers. It is also observed that certain establishments have capacity (in terms of space availability and financial resources) to install higher capacity roof top solar plants in their premises. Hence, due this aspect & also to encourage higher penetration of RTS, the Commission decides to increase the capacity limit of net- metering arrangement from 500 Kw to one Mega-watt (01 MW) as specified in regulation 7 of the RERC DREGS Regulation 2021 .
11. The Discoms, time to time have requested for imposition of restrictions of drawl of banked solar units during peak hours, imposition of certain charges in accordance with applicable Regulations and mandate

compulsory storage system for Roof-Top power plants. However looking to the present level of penetration of RTS, it would not be appropriate to impose such restrictions, charges or conditions as of now. The Commission in future may consider to suitably introduce these measures.

12. In view of above, the Commission under its power conferred under regulation 19 of the RERC DREGS Regulation 2021 "Power to give directions", orders that henceforth net metering arrangement shall be applicable for loads upto one megawatt (01 MW) or upto the sanctioned load/contract demand, whichever is lower, for all categories of the consumers.

**(Dr. Rajesh Sharma)**  
**Member**

**(Hemant Kumar Jain)**  
**Member**

**(Dr. B.N. Sharma)**  
**Chairman**