

Assam (Micro/Mini-grid Renewable Energy Generation and Supply) Regulations - 2017

HIGHLIGHTS

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| Extent of Application | <ul style="list-style-type: none">· For new and existing micro/mini-grid projects that would generate and supply power in rural areas of Assam.· Mini-grid projects of installed capacity 10 kW to 500 kW and microgrid projects up to 10 kW. |
| Models for Business Operations | <ul style="list-style-type: none">· Mini-grid operator (MGO) may implement a project in areas where the grid does not exist.· Upon receiving an application from the MGO, the distribution licensee shall issue a no objection certificate (NOC) if there is no plan for grid extension in the area within next two years.· MGO shall be entitled to supply the entire quantum of electricity generated to the consumers of the area at a mutually agreed tariff.· After grid arrival, the MGO shall supply its entire electricity to the distribution licensee at feed-in tariff determined by the Commission.· The distribution licensee will have to buy the entire electricity generated from projects, at feed-in tariff determined by the Commission.· The MGO may transfer ownership of primary distribution network (PDN) to the distribution licensee at mutually agreed book value of assets.· After grid arrival, the distribution licensee shall take over the billing and collection activity and/or involve the MGO as distribution franchisee for operations, maintenance and revenue collection.· The modalities of operation of the distribution franchisee shall be finalized by the distribution licensee with intimation to the Commission. |

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| <p>Technical Standards</p> | <p>For construction of PDN:</p> <ul style="list-style-type: none"> · As per the standards followed by the distribution licensee in accordance with the Central Electricity Authority (Technical Standard for Construction of Electrical Plants and Electric Lines) Regulations, 2010, as amended from time to time · MGO will be responsible for the safe operation and maintenance of the PDN as per the CEA (Measures relating to Safety and Electric Supply) Regulations, 2010, as amended from time to time. <p>For interconnection with the grid:</p> <ul style="list-style-type: none"> · As per Central Electricity Authority (Technical Standards for Connectivity of the Distributed Generation Resources) Regulations, 2013, as amended from time to time. · The cost for interconnection network from the micro/mini-grid renewable energy system (MRES) to the interconnection point shall be borne by the MGO. <p>Safety measures:</p> <ul style="list-style-type: none"> · Installation of electrical equipment must comply with Central Electricity Authority (Measures of Safety and Electric Supply) Regulations, 2010. <p>Metering:</p> <ul style="list-style-type: none"> · As per the standards and provisions specified in CEA (Installation and Operation of Meters) Regulations, 2006, as amended from time to time. · Distribution licensee shall install the meter at the point of interconnection, at its own cost. · The MGO shall install a generation meter at the project, and meter(s) at each of the outgoing feeder(s) and meters at each consumer's premises to record consumption. |
| <p>Operational Framework</p> | <p>Energy Accounting and Settlement for supply to Consumers before grid arrival:</p> <ul style="list-style-type: none"> · Tariff, billing and payment mechanism will be mutually decided by the MGO and consumers. · MGO shall submit the same along with project details to the Commission at least a month before commencement of operation. <p>Energy Accounting and Settlement for supply to Distribution Licensee after grid arrival:</p> <ul style="list-style-type: none"> · Upon grid arrival the entire energy generated by the micro/mini-grid shall be purchased by the distribution licensee. · MGO shall raise monthly bills against the electricity injected into the distribution licensee's system. · The distribution licensee shall make payment to the MGO within 15 days from the date on which the bill is raised. <p>Energy Accounting and Settlement for Distribution Franchisee activities:</p> <ul style="list-style-type: none"> · The MGO if engaged as a distribution franchisee shall raise bills on consumers in the area as per the retail tariff approved by the Commission and also raise bills on the distribution licensee for distribution franchisee activities as per the terms of the distribution franchisee agreement (DFA). <p>Renewable Energy Certificate mechanism:</p> <ul style="list-style-type: none"> · Based on the Central Electricity Regulatory Commission (Terms and Conditions for recognition and issuance of Renewable Energy Certificate for Renewable Energy Generation) Regulations, 2010, as amended from time to time. <p>Renewable Purchase Obligations:</p> <ul style="list-style-type: none"> · The quantum of electricity generated from the MRES shall qualify towards compliance of RPO by the obligated entities. |

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| <p>Contractual Framework</p> | <p>Power Purchase Agreement</p> <ul style="list-style-type: none"> · For sale and purchase of electricity, the MGO and the distribution licensee shall enter into a power purchase agreement (PPA). · The distribution licensee shall prepare a draft PPA and submit it to the Commission for approval within 3 months from the date of notification of this regulation. · In case of termination of agreement(s), the distribution licensee and MGO shall follow the process specified in the PPA and DFA (as may be applicable). <p>Exit Options</p> <ul style="list-style-type: none"> · For exiting the project, the MGO shall have to serve notice to the distribution licensee and state nodal agency with intimation to the Commission prior to 90 days of the exit. · Distribution licensee may take over the MRES from the MGO and may operate of its own. |
| <p>Role of Stakeholders</p> | <p>State Nodal Agency</p> <ul style="list-style-type: none"> · To provide inputs for tariff determination. · Initiate a process to track project development. · Facilitate MGO to operate the MRES. · Support the Commission and furnish information from time to time. · Administer exit requests. · Any other matter entrusted by the Commission. <p>Distribution Licensee</p> <ul style="list-style-type: none"> · To specify and share technical standards of its systems. · Provide NOC to the MGO. · Enter into PPA with MGO upon grid arrival. · Facilitate interconnection. · May enter into DFA (if applicable) with the MGO. <p>Micro/Mini-grid Operator</p> <ul style="list-style-type: none"> · Generate and supply electricity to the consumers of the area. · Entitled to take legal action against consumers who default on payment or breach conditions. <p>Consumers</p> <ul style="list-style-type: none"> · Regular payment of electricity charges. · Adoption of energy efficiency measures. |
| <p>Payment and Dispute Resolution</p> | <ul style="list-style-type: none"> · The distribution licensee shall prioritize making payments to the MGO wherever such payments are due. · The cost of power purchased from the micro/mini-grid project by the distribution licensee shall be recovered and form a part in the ARR. · Power purchased from the MRES will qualify for fulfillment of RPO. · The Commission shall resolve any conflict between the MGO and the concerned distribution licensee(s). · Consumer grievances shall be addressed as per AERC (Redressal of Consumer Grievances) Regulations, 2016 |

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| Technical Committee | <ul style="list-style-type: none"> · The Technical Committee, constituted at state level by the Commission, shall consist of SNA, MGO and distribution licensee. · Will supervise the overall progress of proposed activities. |
| Implementation Guidelines | <ul style="list-style-type: none"> · Will be prepared by the distribution licensee within three months of notification of the Regulations. · The guidelines will consider: <ul style="list-style-type: none"> o Technical standards for construction of PDN. o Technical standards for interconnectivity. o Migration options within a model. o Principles of DFA. o Any other relevant matter. · To be approved by the Commission. |
| Link | http://www.aerc.nic.in/Regulations.htm |
| Reference | http://www.aerc.nic.in/(AERC%20(MicroMini-Grid%20Renewable%20Energy%20Generation%20and%20Supply)%20Regulations,%202017.pdf |