



## FORUM OF REGULATORS

### FOR-NEWS

Issue No. 5

- ✚ Shri Naresh Sardana has been appointed as Member, Haryana Electricity Regulatory Commission w.e.f. 29<sup>th</sup> May, 2019.
- ✚ Shri K. Venkatasamy, District Judge (Retd.) has been appointed as Member (Legal), Tamil Nadu Electricity Regulatory Commission w.e.f. 2<sup>nd</sup> July, 2019.
- ✚ Shri M. Chandrasekar has been appointed as Chairperson, Tamil Nadu Electricity Regulatory Commission w.e.f. 16<sup>th</sup> August, 2019.
- ✚ Shri Pulak Kumar Tewari has been appointed as Member, West Bengal Electricity Regulatory Commission w.e.f. 1<sup>st</sup> October, 2019.
- ✚ Justice C.V. Nagarjuna Reddy has been appointed as Chairperson, Andhra Pradesh Electricity Regulatory Commission w.e.f. 30<sup>th</sup> October, 2019.
- ✚ Smt. Bulbuli Borthakur and Shri Satyendra Nath Kalita has been appointed as Member (Legal) and Member (Technical) respectively w.e.f. 21<sup>st</sup> December, 2019.
- ✚ Shri P. Raja Gopal Reddy and Shri Thakur Rama Singh has been appointed as Member, Andhra Pradesh Electricity Regulatory Commission w.e.f. 26<sup>th</sup> February, 2020.



*67<sup>th</sup> Meeting of FOR*

### *Chairperson's Message*



The Forum presents the fifth issue of FoR Newsletter as part of its continued efforts to reach out to the stakeholders with updates on regulatory developments in power sector.

During the period of publication, the Forum met four times and discussed several critical issues including Implementation of uniform technical minimum conditions of 55% of Unit capacity for coal based power stations, Regulators to ensure payment of Late Payment Surcharge (LPS) for delay in payment by DISCOMs as per the provisions of PPA, Security Constrained Economic Dispatch, Renewable Power Obligations, Report on Review of Status of Open Access in Distribution Sector, Financing for installation of Flue Gas Desulphurization (FGD) Units, Draft CERC (Sharing of Inter-State Transmission Charges and Losses) Regulations, Draft Report on Reserves and Ancillary Services at the State Level (Santulan), Peak Load Management and Smart Pre-Paid Metering, Electricity Regulatory Information Access and Analytics Platform, APTEL Directions dated 23.9.2019 in OP 1 of 2011, Study on International Experiences on Economics and Regulatory Framework of Energy Storage (by LBNL & Staff of CERC) etc.

Further, the Forum also finalised the Report of FoR Standing Technical Committee on "Issues of Aggregator / QCA of Wind and Solar Projects". In the forthcoming meetings, the Forum is expected to deliberate upon a host of crucial issues relevant to the sectoral growth

We value your feedback and contributions in the form of updates on the activities of SERC / JERC, issuance of Regulations etc. We look forward to your responses.



*68<sup>th</sup> Meeting of FOR*



# FORUM OF REGULATORS

## FOR-NEWS

Issue No. 5

### *FOR Meetings*

- I. **The 67<sup>th</sup> MEETING OF THE FORUM OF REGULATORS (FOR)** was held at CERC , New Delhi on 12<sup>th</sup> April 2019.

Some of the issues discussed are as follows:-

1. Procedure for procurement of power for short and medium term on deep platform/bidding process by Distribution Licensees
2. Report on Electricity contracts in US : Insights for India - National Association of Regulatory Utility Commissioners (NARUC), USA
3. Implementation of uniform technical minimum conditions of 55% of Unit capacity for coal based power stations.
4. Regulators to ensure payment of Late Payment Surcharge (LPS) for delay in payment by DISCOMs as per the provisions of PPA

<http://www.forumofregulators.gov.in/Data/Meetings/Minutes/67.pdf>

- II. **The 68<sup>th</sup> MEETING OF THE FORUM OF REGULATORS (FOR)** was held at CERC , New Delhi on 20<sup>th</sup> June 2019.

Some of the issues that were discussed are as follows :-

1. Relevance of Consumer Grievance Redressal Forums
2. Report on Review of Status of Open Access in Distribution Sector
3. Security Constrained Economic Dispatch and sharing of experience
4. Presentation on “Indian Accounting Standards (Ind AS) & Its Impact on Capital Cost in Tariff”

<http://www.forumofregulators.gov.in/Data/Meetings/Minutes/68.pdf>

- III. **The 69<sup>th</sup> MEETING OF THE FORUM OF REGULATORS (FOR)** was held at Amritsar on 20<sup>th</sup> September, 2019.

Some of the issues that were discussed are as follows :

1. Global Regulatory Perspective Program of FOR
2. Report of FOR Standing Technical Committee on “Issues of Aggregator/QCA of Wind and Solar projects’
3. FOR Study on “Review of Status of Open Access in Distribution”
4. Uniform Tariff policy for Domestic and Agriculture consumers

<http://www.forumofregulators.gov.in/Data/Meetings/Minutes/69.pdf>

- IV. **The 70<sup>th</sup> MEETING OF THE FORUM OF REGULATORS (FOR)** was held at Azzaro Resorts, Diu on 31st January, 2020

Some of the issues that were discussed are as follows :-

1. Flue Gas Desulphurization (FGD) unit installation
2. Reduction in cost of power due to prepayment in entire value chain of power sector
3. Requirement of Amendment of Clause 6.4(i) (iii) of the Tariff Policy w.r.t capping rate realized under the REC mechanism
4. Implementation of E-Court Webtool for all SERC/JERCs
5. Higher Interstate Point of Connection Charges for Eastern States
6. Electricity Regulatory Information Access and Analytics Platform
7. Draft CERC ( Sharing of Inter State Transmission charges and losses ) Regulations, 2019



# FORUM OF REGULATORS

## FOR-NEWS

Issue No. 5

### *Regulations at a Glance CERC Regulations/Orders*

1. **Central Electricity Regulatory Commission (Sharing of Revenue Derived from Utilization of Transmission Assets for Other Business) Regulations, 2020** were notified by CERC on 17<sup>th</sup> February, 2020. The regulations are applicable to the inter-State transmission licensees, whose transmission charges are determined by the Commission under Section 62 of the Electricity Act or adopted by the Commission under Section 63 of the Electricity Act.
2. **Framework for Real-time Market for electricity in India (RTM)** were notified by CERC in December, 2019. The associated regulations included Central Electricity Regulatory Commission (Indian Electricity Grid Code) (Sixth Amendment) Regulations, 2019, Central Electricity Regulatory Commission (Open Access in inter-State Transmission) (Sixth Amendment) Regulations, 2019, and Central Electricity Regulatory Commission (Power Market) (Second Amendment) Regulations, 2019.
3. Central Electricity Regulatory Commission (**Deviation Settlement Mechanism and related matters**) Regulations, 2014 **Fifth Amendment** was notified on 29<sup>th</sup> May, 2019. Major changes in the regulations being in Charges for Deviations and Limits on Deviation volume and consequences of crossing limits.
4. CERC notified **Central Electricity Regulatory Commission (Fees and Charges of Regional Load Despatch Centre and other related matters) Regulations, 2019** for FY 2019-2020 to FY 2023-24, being applicable for determination of fees and charges to be collected by Regional Load Despatch Centres from generating companies, distribution licensees, inter-State transmission licensees, buyers, sellers and inter-State trading licensees and any other users.
5. **Central Electricity Regulatory Commission (Cross Border Trade of Electricity) Regulations, 2019** for import and export of electricity were notified on 14<sup>th</sup> May, 2019.



*Moments captured during 69<sup>th</sup> and 70<sup>th</sup> FOR*



## FORUM OF REGULATORS

### FOR-NEWS

Issue No. 5

#### *SERC related*

**Gujarat Electricity Regulatory Commission** on 23<sup>rd</sup> January, 2020 notified GERC (Net Metering Rooftop Solar PV Grid Interactive Systems) (Second Amendment) Regulations, 2020.  
<http://demo.gercin.org/uploaded/document/0862119c-4f94-40ab-b6c5-7cfefa2309b6.pdf>

**Haryana Electricity Regulatory Commission** on 24<sup>th</sup> January, 2020 issued regulation on HERC (Forum and Ombudsman) Regulations, 2020 which provides guidelines to the Licensees for establishment of Forum for redressal of grievances of the consumers ; for appointment of Ombudsman; for representation against non-redressal of grievances of consumers and the time and manner of settlement of grievances by Ombudsman and for matters incidental and ancillary there to.  
<https://herc.gov.in/WriteReadData/Pdf/R20200204.pdf>

**Kerala State Electricity Regulatory Commission** on 07.02.2020 issued regulations on Renewable Energy and Net Metering, Regulations 2020. These regulations are applicable to all existing and new Grid interactive Renewable Energy Systems, consumers, prosumers, captive consumers and generators, Distribution Licensee and Obligated Entities. These regulations shall also be applicable in the matter of Determination of Tariff of Renewable Energy, Renewable Purchase Obligation (RPO), Net Metering, Banking, Generation based Incentives and other related issues.  
<http://www.erckerala.org/regulations/Draft%20RE%20Reg-2019-revised%2030.08.2019.pdf>

**Rajasthan Electricity Regulatory Commission** issued the RERC (Renewable Energy Obligation) (Sixth Amendment) Regulations, 2020 which notified amendment in Regulation 4 of the Principal Regulations w.r.t. RERC (Renewable Energy Obligation) Regulations, 2007  
<https://rerc.rajasthan.gov.in/rerc-user-files/regulations>

**Telangana State Electricity Regulatory Commission** on 02.03.2020 issued an Order for Annual Fees and Operating Charges for State Load Dispatch Centres for 4th Control Period i.e. FY 2019-20 TO FY 2023-24. The Annual Fee would be paid by all the Users in advance in two equal instalments, by 10th of April and by 10th of October every Financial Year starting from FY 2019-20 onwards while the Operating Charges would be paid Monthly.  
[https://tserc.gov.in/file\\_upload/uploads/Tariff%20Orders/Current%20Year%20Orders/2020/SLD\\_C\\_MYT\\_Order\\_4th\\_Control\\_Period.pdf](https://tserc.gov.in/file_upload/uploads/Tariff%20Orders/Current%20Year%20Orders/2020/SLD_C_MYT_Order_4th_Control_Period.pdf)

**Tamil Nadu Electricity Regulatory Commission** on 14.02.2020 released a Consultation Paper on procurement of Wind & Solar Power and related issues. This consultation paper discusses the approach for procurement of Wind Power by Distribution Licensee and other related issues like Open Access in Wind Power Procurement. This Consultation Paper also discusses the required Legal framework and Banking of Wind Energy.

<http://www.tnerc.gov.in/Concept%20Paper/2020/ConceptWind.pdf>  
<http://www.tnerc.gov.in/Concept%20Paper/2020/Solardraft-12-02-2020.pdf>





## FORUM OF REGULATORS

### FOR-NEWS

Issue No. 5

#### *Ministry of Power News*

- Ministry of Power issued an order dated 28<sup>th</sup> June 2019, regarding opening and maintaining of adequate Letter of Credit (LC) as Payment Security Mechanism under Power Purchase Agreements by Distribution Licensees. As per the Order, the NLDC & RLDC are directed to despatch power only after it is intimated by the Generating Company and / Distribution Companies that a Letter of Credit for the desired quantum of power has been opened.

[https://powermin.nic.in/sites/default/files/webform/notices/Opening\\_and\\_maintanig\\_of%20adequate\\_Letter\\_of\\_Credit\\_as\\_Payment\\_Security\\_Mechanism\\_under\\_Power\\_Purchase\\_Agreements.pdf](https://powermin.nic.in/sites/default/files/webform/notices/Opening_and_maintanig_of%20adequate_Letter_of_Credit_as_Payment_Security_Mechanism_under_Power_Purchase_Agreements.pdf)

- The MoP has issued revised standards and guidelines for charging infrastructure for EV on 1 October 2019, and will supersede the earlier guidelines issued in December 2018.

[https://powermin.nic.in/sites/default/files/webform/notices/Charging\\_Infrastructure\\_for\\_Electric\\_Vehicles%20Revised\\_Guidelines\\_Standards.pdf](https://powermin.nic.in/sites/default/files/webform/notices/Charging_Infrastructure_for_Electric_Vehicles%20Revised_Guidelines_Standards.pdf)

#### *CEA (Central Electricity Authority) Related*

1. On 28<sup>th</sup> June, 2019, CEA notified CEA (Measures relating to Safety and Electric Supply) (Amendment) Regulations, 2019. The major amendments are pertaining to the safety standards in Electric vehicle charging stations infrastructure.

The definitions of “charging point”, “charging stations”, “electric vehicle”, “electric vehicle supply equipment”, “socket outlet” and “supply lead” alongwith new chapter on safety provisions for electric vehicles charging stations has been inserted in the amendments.

Link: [http://cea.nic.in/reports/regulation/2019\\_evc.pdf](http://cea.nic.in/reports/regulation/2019_evc.pdf)

2. On 23<sup>rd</sup> December, 2019, CEA notified CEA(Installation and Operation of Meters)(Amendment) Regulations, 2019. The definitions of “Check Meter”, “consumer meter”, “correct meter”, “instrument transformer”, “interface meter” and “meter” has been amended.

Link: [http://cea.nic.in/reports/regulation/CEA\\_metering\\_regulation\\_amendment\\_2019.pdf](http://cea.nic.in/reports/regulation/CEA_metering_regulation_amendment_2019.pdf)



# FORUM OF REGULATORS

## FOR-NEWS

Issue No. 5

### ***JUDGEMENTS OF APPELLATE TRIBUNAL FOR ELECTRICITY***

APTEL Order dated 02.03.2020 in the matter of ***Indian Captive Power Producers Association Vs Gujarat Electricity Regulatory Commission & Ors.***

The Appellant was seeking amendment of the provisions of the Gujarat Electricity Regulatory Commission (Terms and Conditions of Intra-State Open Access) Regulations, 2011. However, the Respondent Commission had failed to hear earlier Petitions by the Appellant, which led to a delay of 2 years in taking decision. The said regulations applied to open access for use of intra-State transmission system and distribution systems in the State of Gujarat, including such system which is used in conjunction with inter-State transmission system. Presently various financial issues were faced by the Captive Power producers and thus the Appellant sought amendment in the existing OA Regulations. The Tribunal directed the Respondent Commission to expeditiously conduct hearing and pass appropriate orders in this matter.

[http://aptel.gov.in/sites/default/files/A.No.%20262%20of%2019\\_02.03.20.pdf](http://aptel.gov.in/sites/default/files/A.No.%20262%20of%2019_02.03.20.pdf)

APTEL Order dated 27.09.2019 in the matter of ***RENASCENT POWER VENTURES PVT. LTD. Vs UTTAR PRADESH ELECTRICITY REGULATORY COMMISSION & Ors.***

Renascent Power Ventures (Appellant) had approached APTEL against UPERC's demand to reduce power tariff from Prayagraj Power Corporation (Respondent) that was acquired by the company under a debt resolution scheme carried by the lenders to the project.

The tariff of Rs 3.02 per unit for Prayagraj Power Plants was determined through a tariff-based competitive bidding in 2010 specified under section 63 of the Electricity Act and was adopted by the UPERC. The State power regulator had asked Resurgent Power to reduce the tariff of the plant by Rs 0.14 per unit. The matter was taken to Allahabad high court which transferred it to APTEL.

The Appellant challenged the impugned order on the ground that the State Commission has acted beyond its jurisdiction and powers under the Act by directing to reduce the PPA Tariff. They maintained that UPERC had no powers to reduce the PPA tariff discovered by way of competitive bidding process undertaken pursuant to Section 63 of the Act read with Competitive Bidding Guidelines, in absence of parties having agreed to that effect.

The Tribunal in this matter cited a previous ruling where it was held that in case of competitive bidding conducted under section 63, the State Commissions need to merely verify that it was transparently conducted and should not go beyond that, as it is neither an Enquiry Commission nor a Vigilance Commission. The Tribunal also stated that the change in the PPA tariff, which being the fundamental basis for arriving at the bid amount by the bidders, any subsequent reduction in the PPA tariff, post conclusion of the bid process by lenders of the project, would amount to change in the fundamental basis of the bid. This is well settled law laid down by the Honourable Supreme Court in several cases.

The Tribunal also stated that about 40 GW of thermal power assets with a project cost of Rs 2.91 lakh crore are facing financial stress. If debt resolution by adopting accepted and admitted debt resolution mechanism is not allowed in time, it would definitely lead to disastrous situation on account of road blocks and obstacles of this nature.

Link - [http://www.aptel.gov.in/sites/default/files/Final-20A.No.%20183%20of%2019%20\\_27.9.19.pdf](http://www.aptel.gov.in/sites/default/files/Final-20A.No.%20183%20of%2019%20_27.9.19.pdf)



### ***MNRE (Ministry of New and Renewable Energy) Related***

In August, 2019 detailed guidelines were issued by MNRE on Phase-II of the Grid Connected Solar Rooftop Programme for achieving cumulative capacity of 40,000 MW from Rooftop Solar Projects by the year 2022. The two components of the programme are:

- CFA @ 40% for capacity up to 3 kWp
- CFA @20% for capacity beyond 3kWp and up to 10 kWp
- CFA @ 20% for GHS/RWA capacity up to 500 kWp (limited to 10 kWp per house and total upto 500 kWp)

Domestic manufactured modules and Solar cells to be used\* *CFA shall be on % of benchmark cost of MNRE for the state/UT or lowest of the costs discovered in the tenders for that state/UT in that year, whichever is lower.* Implementing agency: Power Distributing companies (DISCOMs)

Component B: Incentives to DISCOMs- for initial 18 GW Capacity  
Progressive incentive for discoms for achievements above baseline (the cumulative RTS capacity installed at the end of previous financial year).

- No incentives for capacity addition up to 10%
- 5% incentives for addition beyond 10% and up to 15%
- 10% incentives for addition beyond 15%

Link: <http://164.100.77.194/img/documents/uploads/7ccd3b4b3bb94a51af516e2ee4fdede3.pdf>

#### **Guidelines for development of Decentralised Solar Power Plants**

The Ministry has published Guidelines for procurement of solar power by DISCOMs from Decentralised Solar Power Plants



# FORUM OF REGULATORS

## FOR-NEWS

Issue No. 5

### ***FOR Related***

- For has initiated a study report on Consumer Protection in Electricity sector in India
- For has initiated a study on Evolving Principles of Depreciation for Distribution Assets and Operating and Financial norms for Distribution Sector
- Draft Model Regulation for Grid Interactive Distributed Renewable Energy Sources and Report on Metering Regulation and Accounting Framework for Grid Connected Rooftop Solar PV in India

<http://www.forumofregulators.gov.in/Data/Reports/DMR-for-GIDRES-08-05-19.pdf>

<http://www.forumofregulators.gov.in/Data/Reports/REPORT-METERING-ROOFTOP-08-05-19.pdf>

### ***Meetings of the Standing Technical Committee***

The Standing Technical Committee has been segregated into two groups - Group- I and Group- II as per the decision during 66th FOR Meeting on 18th January 2019

1. Group-I consists of RE rich States and will focus on implementation of Forecasting, Scheduling (F&S) & DSM Framework for RE at the State Level and related issues.
2. Group- II consists of members from some non-RE rich States and will focus on implementation of Availability Based Tariff (ABT) at State level
3. Three meetings were held in FY 2019-20

[http://www.forumofregulators.gov.in/Minutes\\_TC.aspx](http://www.forumofregulators.gov.in/Minutes_TC.aspx)

### ***Capacity Building Programmes***

#### **2nd Global Regulatory Perspectives Program for Chairpersons of Electricity Regulatory Commissions**

1. Forum of Regulators, organised the 2nd Global Regulatory Perspectives Program for the Chairpersons of Electricity Regulatory Commissions at Sydney, Australia, from 27 - 29 November 2019. The Chairpersons and Members of 20 SERCs participated in the program.
2. Forum of Regulators, organised the 2nd Global Regulatory Perspectives Program for the Chairpersons of Electricity Regulatory Commissions at Sydney, Australia, from 27 - 29 November 2019. The Chairpersons and Members of 20 SERCs participated in the program.
3. Delegates also visited the Australian Energy Market Operator (AEMO), where they had a live view of the control centre and discussed electricity market operations





# FORUM OF REGULATORS

## FOR-NEWS

Issue No. 5

### *FOR Study Reports*

#### *Report on the issues of Aggregators/Qualified Coordinating Agency (QCA)*

1. To understand the nuances of the QCA/Aggregator operations within the power system and to examine the issues faced and likely to be faced by Aggregators/ QCAs, the Technical Committee constituted by the Forum of Regulators (FOR) formed a Sub Group under Shri Preman Dinaraj, Chairperson KSERC
2. The Report was endorsed by the Group 1 of the Technical Committee on 23rd August 2019 and Group 2 of Technical Committee on 2nd September 2019
3. FOR adopted the report in its 69th Meeting at Amritsar on 20th September 2019

Link: [http://www.forumofregulators.gov.in/Data/Reports/QCA\\_Report\\_toupload\\_18\\_02\\_2020.pdf](http://www.forumofregulators.gov.in/Data/Reports/QCA_Report_toupload_18_02_2020.pdf)

**For complete repository of FOR information, kindly visit**  
[www.forumofregulators.gov.in](http://www.forumofregulators.gov.in)

**Please send your feedback at**

**Forum of Regulators, 1<sup>st</sup> Floor,  
Chanderlok Building, 36 Janpath, New  
Delhi 110001 Email: secyskj@gmail.com**

**Disclaimer:** Contents of this Newsletter are prepared taking references from various resources available in public domain. The contents of the Newsletter may be considered as indicative references only and respective organizations may be contacted for accuracy of data or information. The contents do not necessarily reflect the views of the Forum of Regulators or its Member Organizations. The Forum of Regulators does not guarantee the accuracy of data or information included in this publication and accepts no responsibility for any consequence of their use.