



FORUM OF REGULATORS

FOR-NEWS

Issue No. 4

- ✦ Shri D.S. Mishra and Shri Vinod Deshmukh have been appointed as Chairperson and Member, Chhattisgarh Electricity Regulatory Commission w.e.f. 18th September, 2018 respectively.
- ✦ Shri Shambhu Dayal Meena has been appointed as Chairperson, Karnataka Electricity Regulatory Commission respectively w.e.f. 31st December 2018.
- ✦ Shri H.M Manjunath and Shri M.D. Ravi have been appointed as Members of Karnataka Electricity Regulatory Commission w.e.f. 31st December, 2018 and 13th March, 2019 respectively.
- ✦ Shri Manojit Mandal has been appointed as Member, West Bengal Electricity Regulatory Commission w.e.f. 04th January, 2019.
- ✦ Shri Mohammad Rafi Andrabi has been appointed as Member, Jammu and Kashmir State Electricity Regulatory Commission w.e.f. 23rd January, 2019.
- ✦ Shri Sutirtha Bhattacharya (Retd. IAS) has been appointed as Chairperson, West Bengal Electricity Regulatory Commission w.e.f. 5th March, 2019.
- ✦ Shri D.P. Gairola and Shri M.K. Jain has been appointed as Members of Uttarakhand Electricity Regulatory Commission w.e.f. 12th April, 2019.
- ✦ Shri Lokesh Dutt Jha (Retd. IAS) has been appointed as Chairperson, Jammu and Kashmir State Electricity Regulatory Commission w.e.f. 16th May, 2019.

Chairperson's Message

The Forum is delighted to present you the fourth issue of FoR Newsletter as part of its continued endeavor to reach out to the stakeholders with latest updates on regulatory developments in electricity sector.



During the period of publication, the Forum met three times and discussed a host of issues, including power quality, national open access registry, applicability of GST, price discovery mechanism in power exchanges, periodic audit of reply /protection systems etc. The Forum has also finalized the Model Regulations & report on “Power Quality”, Task Force Report on North-Eastern Region, Model Regulations and report on “Gap Assessment For Comprehensive Metering And Accounting Framework for Grid Connected Solar Rooftop PV in India” etc.

Further, the Forum also released the POSOCO Report on “Renewable Energy Certificate Mechanism in India”, which included deep insights through detailed analysis of seven year time-series data on RECs. 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.



FOR Meetings

I. The 64th MEETING OF THE FORUM OF REGULATORS (FOR) was held at Ranchi, Jharkhand on the 24th August, 2018. Shri Raghubhar Das, Hon'ble Chief Minister of Jharkhand attended the inaugural session of the meeting.

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

1. Launch of report of POSOCO on "Renewable Energy Certificate Mechanism in India"
2. Development of electricity regulatory information access and analytical platform – Partnership between Ministry of Power, Government of UK and for Electricity Regulator Management System (ERMS) in West Bengal Electricity Regulatory Commission
3. Model regulations & report of FOR on Power Quality
4. National open access registry (NOAR) –

The minutes can be accessed at:-

<http://www.forumofregulators.gov.in/Data/Meetings/Minutes/64.pdf>

II. 65th MEETING OF THE FORUM OF REGULATORS (FOR) was held at Bhubaneswar, Odisha on the 13th November, 2018. Shri Navin Patnaik, Hon'ble Chief Minister of Odisha, attended the inaugural session of the meeting.

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

1. Report of FOR Task Force for North-Eastern Region
2. FOR" Working group on Evolving rates of depreciation for distribution assets, return on investment and operating norms on distribution sector"
3. Implementation of e-court webtool for all SERCS/ JERCS
4. Applicability of GST on Forum of Regulators
5. Model Regulations and report on "Gap Assessment For Comprehensive Metering And Accounting Framework for Grid Connected Solar Rooftop PV in India"
6. Report of sub-group of FOR Technical Committee on Load Despatch Centres – Institutional building and strengthening

The minutes can be accessed at:-

<http://www.forumofregulators.gov.in/Data/Meetings/Minutes/65.pdf>

III. THE 66th MEETING OF THE FORUM OF REGULATORS (FoR) was held at New Delhi on 18 January, 2019

Some of the issues that were discussed are:-

1. Price discovery mechanism on power exchanges
2. Revamped website of Forum of Regulators
3. Directives to RPCs by CERC regarding periodic audit of relay / protection systems
4. Update on FOR Standing Technical committee

The minutes can be accessed at:-

<http://www.forumofregulators.gov.in/Data/Meetings/Minutes/66.pdf>



Regulations at a Glance

CERC Regulations/Orders

✚ Calculation of Average Power Purchase Cost (APPC) at the national level

- The Commission notified Order dated 6.6.2019 for “Determination of Average Power Purchase Cost (APPC) at the national level” (Petition No. 05/SM/2019). Based on the tariff orders issued by the SERCs/JERCs for FY 2018-19, the APPC at the National level has been determined as Rs. 3.60/kWh.
- This APPC shall be applicable during FY 2019-20 and until further orders for the purpose of deviation settlement in respect of the open access and captive wind and solar generators fulfilling the requirement of regional entities.

✚ CERC Fourth amendment to the Deviation Settlement Mechanism and related matters Regulations

- These regulations will come into force from January 1, 2019. The main objective for the changes in regulation is to maintain grid discipline and grid security provided under the Grid Code through the commercial mechanism for deviation settlement through withdrawal and injection of electricity by the users of the grid.
- Area Clearing Price (ACP) will mean the price of a time block electricity contract established on the power exchange after considering all valid purchase and sale bids in areas after dividing the market across constrained transmission corridors.
- The daily simple average ACP of the power exchange having a market share of 80 percent or more in energy terms on a daily basis will be taken into consideration for linking to the DSM price vector.

SERC NEWS

✚ The Maharashtra Electricity Regulatory Commission has revised the retail supply tariffs for 2019-20 for discoms in the State with effect from April 1, 2019. Accordingly, Maharashtra State Electricity Distribution Company Limited will implement a tariff hike of 3 per cent, and Tata Power and Adani Power will increase the tariffs by 2 per cent and 1 per cent, respectively. Meanwhile, Brihanmumbai Electric Supply and Transport Undertaking will reduce the tariff by 3 per cent.

✚ Delhi Electricity Regulatory Commission issued Guidelines for implementation of Group Net Metering and Virtual Net Metering framework under DERC (Net Metering for Renewable Energy) Regulations, 2014. Group Net Metering Framework shall be applicable for all consumers of NCT of Delhi. Virtual Net Metering Framework shall be applicable for residential consumers, Group housing societies, offices of Government /Local Authorities and Renewable Energy Generators registered under Mukhya Mantri Kisaan AayBadhotariYojna.



Ministry Of Power News

✚ Ministry of Power issues Guidelines & standards for Charging Infrastructure for Electric Vehicles. Few highlights are as under:

- Private charging stations will be permitted at all residences and distribution companies (DISCOMs) to facilitate the same.
- No license will be required for setting set up a public charging station and any individual or entity is free to set up one if they follow the standards and guidelines.
- There should be at least three fast charging points in public charging stations -- one each of the CCS (min 50 kW), CHAdeMO(min 50 kW) and Type 2 AC(min 22 kW) configuration
- Regarding the electricity supply cost for public charging stations, the government has stated that the pricing will be determined by the Appropriate Commission – provided, "however, that the tariff shall not exceed the average cost of supply, plus 15 percent

✚ Reverse e-auction conducted in Pilot Scheme-II.

- The reverse e-auction of the Ministry of Power's (MoP) Pilot Scheme-II for the procurement of 2,500 MW of power on an aggregated basis was conducted in April 2019.
- This auction aims to procure power from already commissioned power plants but do not have long-term Power Purchase Agreement (PPA). A tariff of Rs 4.41 per unit was discovered in this round. The lowest bid discovered this time is about 4 per cent higher than that (Rs 4.24 per unit) discovered in Pilot Scheme-I in April 2018. About 15 thermal power producers participated in the latest auction.



CEA (Central Electricity Authority) Related

- ✦ Sh. P. S. Mhaske has assumed the charge of Chairperson, CEA w.e.f. 13.02.2019
- ✦ A Report on “Flexible operation of Thermal Power plant for Integration of Renewable Generation” was published in January 2019. It provides a Roadmap for Flexible Operation of Thermal, Gas and Hydro Power Stations to Facilitate Integration of Renewable Generation. The report can be accessed at http://cea.nic.in/reports/others/thermal/trm/flexible_operation.pdf

MNRE(Ministry of New and Renewable Energy) Related

- ✦ MNRE issues advisory against procuring solar modules from Chinese company
- ✦ Ministry of New & Renewable Energy in consultation with National Institute of Wind Energy Chennai prepared a draft certification scheme incorporating various guidelines under “Indian Wind Turbine Certification Scheme (IWTCS).” The IWTCS is a consolidation of relevant National & International guidelines.
 - The document also contains various best practices from other countries to ensure the quality of the wind energy projects. The scheme is envisaged to assist & facilitate OEMs, End-users, Utilities, SNAs, developers, IPPs, owners, investors, certification bodies and testing laboratories.
- ✦ Tamil Nadu Energy Development Agency (TEDA) has announced the draft Solar Energy Policy 2018
 - The State has announced for a Visionary Tamil Nadu 2030 wherein the solar energy target for the State is 5,000 MW. Under the targets set by MNRE, TN aims for an installed capacity of 8,884 MW of which (40%) i.e. 3,553 MW is to come from consumer scale rooftop solar system. Tamil Nadu Solar Energy Policy 2018 intends to create a framework that enables an accelerated development of solar energy in the State.
 - It also intends to facilitate open access to the public electricity grid of the State and create opportunities for a grid-connected distributed generation of solar power in order to reduce the dependence on fossil fuels.



FOR Related

- ✚ Uttar Pradesh Electricity Regulatory Commission (UPERC) has issued the UPERC (Rooftop Solar PV Grid Interactive System Gross / Net Metering) Regulations, 2019 (RSPV Regulations, 2019).
- ✚ DERC announces draft guidelines for group and virtual net metering
- ✚ HERC issued Haryana Electricity Regulatory Commission (Forecasting, Scheduling and Deviation Settlement for Solar and Wind Generation) Regulations, 2019 on The 29th April, 2019
- ✚ Central Electricity Regulatory Commission (CERC) has issued its fourth amendment to the Deviation Settlement Regulations.





FOR Study Reports

FOR issued its **Report for North Eastern Power Sector**. It covers a detailed comparative analysis of every North East State on basis of their power supply scenario data to assess power surplus/deficit scenario, followed by information availability such as Regulatory findings, Key Performance Index (KPI), Frequency of Tariff revision, assessment of ARR parameters such as O&M Expenses, Power Purchase Cost, etc., Efficiency of the DISCOMs of the respective States such as AT&C Loss percentage, billing and collection efficiency etc. The report of the Task Force was presented before the FOR during the 65th meeting held on 13th November, 2018 at Bhubaneswar, Odisha. After deliberations on the report, the Forum endorsed the Recommendations and Way forward of the Task Force.

The key recommendations are as follows:-

Regulatory

- A. Functional Segregation of Generation, Transmission and Distribution Business
- B. Bridging Gap between ACOS and Per unit average revenue realized (ARR):
- C. Issuance and Implementation of DSM Regulations.

Utility Performance Specific

- A. Preparation of a roadmap for catering to future growth in demand
- B. Energy Audit at Sub-Station and Feeder level
- C. Reduction in AT&C Losses

Institutional Strengthening and Capacity Building

- A. Region specific Data Portal
- B. Strengthening of SLDCs of N-E States
- C. Region specific Core Groups for knowledge exchange and capacity building
- D. Institutional Strengthening of State Regulatory Commissions in the N-E Region

For complete repository of FOR information, kindly visit www.forumofregulators.gov.in

Please send your feedback at Forum of Regulators

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