

# UTTARAKHAND ELECTRICITY REGULATORY COMMISSION

'Vidyut Niyamak Bhawan', Near I.S.B.T., P.O.-Majra, Dehradun-248171

## Coram

**Shri Subhash Kumar** Chairman

**Shri K. P. Singh** Member

**Statement of Reasons for Draft UERC (Tariff and Other Terms for Supply of Electricity from Renewable Energy Sources and non-fossil fuel based Co-generating Stations) (Fifth Amendment) Regulations, 2016.**

## Statement of Reasons

1. The Commission had issued UERC (Tariff and Other Terms for Supply of Electricity from Renewable Energy Sources and non-fossil fuel based Co-generating Stations) Regulations, 2013 (hereinafter referred to as "Principal Regulations" or "RE Regulations, 2013") vide notification dated April 15<sup>th</sup>, 2013.
2. To provide clarity on applicability of the Regulations, to introduce third party model under Grid connected Roof Top Solar PV plants and also for revision in % of RPO by obligated entities, the Commission made four amendments to the Principal Regulations (vide notifications dated October 15<sup>th</sup>, 2013, June 20<sup>th</sup>, 2014, July 21<sup>st</sup>, 2015 and September 9<sup>th</sup>, 2015).
3. The Commission has now received representations for issuance of guidelines for implementation of grid connected Canal Bank Solar PV plants & Canal Top Solar PV plants and also for implementation of power projects based on municipal solid waste.
4. UJVN Ltd., State owned generating company, has approached the Commission for fixation of tariffs in respect of its upcoming 19 MW grid connected canal bank solar PV and 1 MW of canal top Solar PV Plants. Similarly, UPCL, distribution licensee referring Swachh Bharat Mission: Waste to Wealth, requested the Commission for issuing guidelines for determination of tariff for the power projects based on municipal solid waste. The Commission also observes that MoP vide its amendment to Tariff Policy, 2006 stipulated compulsory procurement of 100% power produced from all the Waste-to-Energy plants in the State by the distribution licensee so as to facilitate meeting the objective of Swachh Bharat Mission for disposal of waste besides generation of electricity.

5. Existing Regulations do not provide for determination of the tariff of canal bank solar PV plants, canal top solar PV plants and municipal solid waste based power plants. Accordingly, the Commission has decided to issue draft amendment to the Principal Regulations so as to incorporate the norms related to such power projects.
6. Central Electricity Regulatory Commission has vide its notification Dated 07.10.2015 amended its Regulations to specify norms for determination of generic tariff for municipal solid waste for waste to energy projects and indicative tariff for FY 2015-16.
7. Accordingly, norms specified by the Central Commission for the determination of tariff for municipal solid waste based projects have been adopted. However, in case of Canal bank and Canal top Solar PV projects, Central Commission has not issued any guidelines/norms. Accordingly, capital cost of such Solar PV projects has been considered based on the information available with the Commission.
8. In addition, representations from power producers based on Bagasse based cogeneration power plants have also been received by the Commission that option of fuel cost mentioned in the Regulations does not provide recovery of actual fuel cost incurred for operation of such generating plants. The Commission based on their submissions has decided to take a pragmatic approach so as to allow recovery of fuel cost to the extent as specified in the prevalent Regulations. Accordingly, amendment to relevant Regulations have also been proposed alongwith these draft amendments.
9. Further, the Commission has also observed that due to net metering provision in the Principal Regulation for Grid interactive Roof Top & Small Solar PV Plants, the point of interconnection for such plants is the bidirectional meter and therefore the prevalent definition specifically does not cover the interconnection point for such plants. Accordingly, the Commission has decided to review the definition of interconnection point in respect of such generating plants.

Accordingly, the Commission has decided to issue the draft Amendment Regulations.

By the order of the Commission

(Neeraj Sati)  
Secretary