

NEWSLETTER | Week 42 | Oct. 2022

POWER PURCHASE**» Regulator disallowed revision of DISCOM tariff on basis of prudence check: Supreme Court.**

- Supreme Court (SC) has recently ruled Delhi Electricity Regulatory Commission (DERC) cannot revise the already fixed power tariff for discoms in the guise of prudence check and truing up.
- SC allowed private discoms BSES Yamuna Power Ltd and BSES Rajdhani Power's appeals challenging certain findings of the Appellate Tribunal for Electricity (APTEL) in a 2014 judgment by which the downward revision of electricity tariff by the DERC was upheld.
- Hon'ble SC bench stated that redetermination of already determined tariff by DERC on pretext of prudence check would amount to amendment of tariff order, not permissible in law.
- SC Stated that Truing up stage was not an opportunity to re think the basic principles, premises and issues involved in the initial projection of the revenue requirements of the licensee.
- Tariff appeals were filed before APTEL challenging DERC's findings in the tariff order of Aug 26, 2012 for truing up of financials for financial year 2008-09 and ARR for financial year 2011-12.

⚡ POWER PURCHASE**Regulator disallowed revision of DISCOM tariff on basis of prudence check: Supreme Court.****⚡ RENEWABLES****Mumbai's BEST awarded smart meter deal worth Rs 1300 crore to ADANI Transmission****Draft Policy For Repowering Of The Wind Power Projects****⚡ POLICY AND REGULATORY****MERC (Transaction of Business and Fees and Charges) Regulations, 2022**

RENEWABLES**» Mumbai's BEST awarded smart meter deal worth Rs 1300 crore to ADANI Transmission:**

- ADANI Transmission wins the deal to install and maintain 10.80 lacs Smart Meters for **Brihanmumbai Electricity Supply and Transport**.
- **Major Features of the Deal:** Installation of Smart Meters within 30 months period and maintenance of the same for the following 90 months.
- Smart Meter Project is based Design, Build, Finance, Own, Operate, Transfer public-private partnership approach which includes constructing of communication and other cloud-related infrastructure.
- **BENEFITS for Consumers:** With the installation of SMART Meters, consumers can now keep a track online of power consumption. Consumers will also be provided pre-paid billing and Net Metering for housing societies and commercial buildings with roof-top solar facilities.
- **BENEFIT for DISCOM:** It will enable BEST to accomplish remote connection and disconnection of non-paying customers.
- **BENEFIT for Regulators:** Regulators will be benefitted as it will help in designing of consumer-friendly Time of Day Tariffs.
- ADANI Transmission Targets to install seven lacs smart meters by the end of 2023.

» Draft policy for repowering of the wind power projects:

- **Objective:** To facilitate utilization of wind turbines below 2MW whose design life is completed
- **Eligibility:** Turbines less than 2 MW capacity, with total capacity completing 90% of design life.
- If project area is contiguous land and turbines considered repowering connected to single pooling substation.
- **Nodal Agencies:** State (SNA) and Central Nodal Agencies (CAN) to identify potential turbines. Project owner to submit DPR to for verification to nodal agencies.
- **Aggregation:** SNA/CAN to nominate state or central enterprise as Wind Repowering Project Aggregators (WRPA) to repower projects. WRPA to be selected based on min technical criteria.
- **Power Purchase Agreement:** For PPA less than 25 years, DISCOMs must arrange to extend tenure for 25 years.
- Developers can sell additional capacity to incumbent DISCOMs or any entity through open access if concerned DISCOM refuses to procure power.
- **Incentives:** Indian Renewable Dev. Agency (IREDA) to provide interest rebate of 0.25% to new wind projects. Enhanced RPO multiplier for repowered projects.
- MNRE to appoint Wind Repowering Committee (WRC) to help implement repowering policy.

POLICY AND REGULATORY**» MERC (Transaction of Business and Fees and Charges) Regulations, 2022:**

- **Objective:** To establish procedure for transaction of business of the Commission and specify fees and charges payable to the Commission.
- **Petitions:** To be prepared electronically, accompanied by supporting documents and data, to contain summary/synopsis of facts.
- **Affidavit:** Statement of fact in petition to be supported by notarized affidavit to be drawn up in first person declared by the petitioner. Information sources need disclosure.
- **Scrutiny of pleadings:** Soft copy of petition to be filed in E-filing portal as per procedure. Each petitioner shall file separate fees.
- Petitioner seeking urgent listing of petition shall file interlocutory application justifying urgency.
- **Admission of petition:** Petition after scrutiny shall be put up within 14 days before Commission.
- Commission may admit, refuse admission of petition without hearing from the party.
- Commission may if deemed necessary direct parties to file reply, rejoinder.
- **Hearing of matter:** e-hearing through video conference shall be conducted by commission.
- The Commission may at any stage of the proceedings order, that any matter in any pleadings to be struck out or amended.
- **Procedure to be followed where any party does not appear:** On non-appearance, Commission may dismiss application of party, proceed ex-parte against party.
- Applicant may apply within 30 days from order dismissal, for an order to set aside dismissal.
- **Order of Commission:** Orders on hearings shall be signed by Members of Commission and shall be reasoned orders. Daily orders to be uploaded within 3 working days from hearing date.