





NEWSLETTER | WEEK 8 | FEB 24



POWER PURCHASE

- >> CERC ORDERS COMPREHENSIVE **AUDIT OF POWER EXCHANGES**
- > The three power exchanges (PXs), namely Indian Energy Exchange Limited, Power Exchange India Limited and Hindustan Power Exchange Limited, have been submitting the quarterly Market Surveillance Committee reports and the biannual Risk Assessment and Management Committee reports to the Central Electricity Regulatory Commission (CERC).
- > CERC observed no uniformity in reports submitted by the three PXs; instances of manual bid entry, cancellation of bids outside trading hours, and entry of bids after the market hours, and extension of market hours, etc were noted.
- > Increasing trend of such instances observed from Q1 2019-20 to Q3 2023-24.



POWER PURCHASE

- CERC orders COMPREHENSIVE AUDIT OF Power Exchanges
- OCERC STAYS SCHEDULING RESTRICTIONS IMPOSED BY WRLDC



RENEWABLES

- » TERC UNVEILS COMPREHENSIVE DRAFT FRAMEWORK FOR GRID INTERACTIVE SOLAR ROOFTOF PHOTOVOLTAIC SYSTEMS
- "ROOFTOP SOLAR SYSTEM **UPTO 10KW EXEMPTED FROM** FEASIBILITY STUDY MANDATE



Policy And Regulatory

» CERC RELEASED DRAFT CERC (TERMS AND CONDITIONS FOR TARIFF DETERMINATION FROM RENEWABLE ENERGY SOURCES) REGULATIONS , 2024





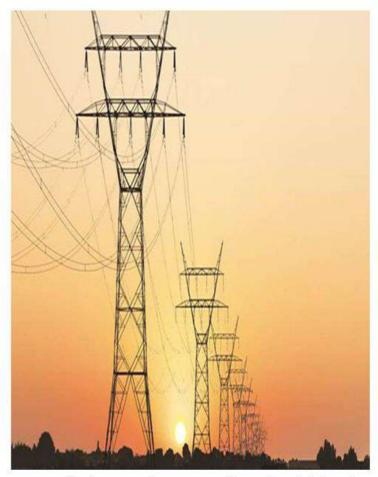








- Concerned about potential market manipulation due to manual bids, CERC cited anonymity and transparency principles and ordered elimination of manual bids, strict adherence to bid entry procedures and timelines.
- CERC directed PXs to build robust systems with end-to-end encryption, automate processes, and conduct regular training for market participants.
- CERC also ordered a comprehensive audit of the operation of all three PXs within six months; such audit is aimed to ascertain that the affairs of the PXs are carried out in compliance with the CERC (Power Market) Regulations, 2021; audit of the processes as well as software will be conducted.
- CERC directed its staff to appoint suitable agency(ies) to conduct the audit.



> Audit has to be completed within six months, and audit report has to be submitted within three weeks of completion of the audit; CERC may issue further directions based on audit findings.











> CERC STAYS SCHEDULING RESTRICTIONS IMPOSED BY WRLDC

- CERC stayed scheduling restrictions imposed by WRLDC on Tata Power Renewable Energy (TPREL) and Electro Solaire (ESPL) solar projects due to non-compliance of reactive power support.
- > The restriction was based on alleged non-compliance with the Central Electricity Authority (CEA) Regulations, directing 20 renewable energy projects to submit compliance reports.
- WRLDC restricted scheduling by 18%, reducing TPREL's 100 MW project to 82 MW and ESPL's 200 MW project to 164 MW.

- > TPREL and ESPL challenged WRLDC's directions, arguing that certain minutes of meetings and reports relied upon were not applicable to their projects.
- They claimed a grace period of one year for compliance as their projects achieved commercial operation before the issuance of the working group report.
- > TPREL contended it had taken steps to comply with regulations by ordering equipment for reactive compensation for its project.
- CERC observed that each renewable generator was mandated to conduct a study and submit it for approval to the concerned RLDC, with 12 months given for compliance after non-compliance is observed.
- CERC granted interim relief against scheduling restrictions, noting TPREL and ESPL's projects were not among the 20 directed for curtailment by the CEA.







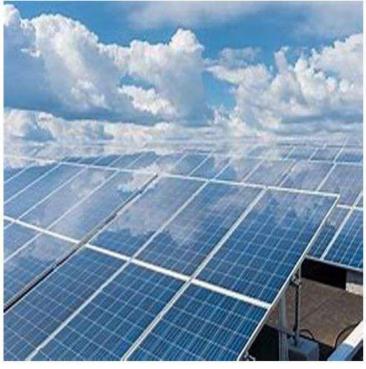


>> TERC UNVEILS COMPREHENSIVE DRAFT FRAMEWORK FOR GRID INTERACTIVE SOLAR ROOFTOP PHOTOVOLTAIC SYSTEMS

- Tripura Electricity Regulatory Commission (TERC) released the draft TERC (The Grid Interactive Solar Rooftop Photovoltaic Systems under Net/Gross Metering) Regulation, 2024.
- > The draft regulation is aimed at fostering renewable energy adoption and marked a paradigm shift from existing guidelines towards a more streamlined and inclusive approach.

> The draft regulation -

- Mandates net/gross metering arrangements for equitable access to Grid Interactive Solar Rooftop Photovoltaic Systems (SRTPVS).
- Delineates responsibilities between consumers and Distribution Licensees.
- Outlines rigorous technical standards and compliance requirements for seamless integration with existing networks.



• Emphasizes transparency by mandating Distribution Licensees to provide timely information on available capacities and up lates regarding SRTPVS installations on their website.













- Addresses financial aspects including application fees, feed-in tariffs, subsidy availing, and revenue-sharing mechanisms.
- Streamlines procedures for application, feasibility studies, synchronization, and billing processes.
- Brings in place accountability and redressal mechanisms for dispute resolution and penalties.
- > Stakeholders and interested parties may submit their suggestions, objections or comments on the draft regulation to the TERC by 8th March, 2024.

>> ROOFTOP SOLAR SYSTEM UPTO 10KW EXEMPTED FROM FEASIBILITY STUDY MANDATE

- > Ministry of Power notified the Electricity (Rights of Consumers) Amendment Rules, 2024, which amends the Electricity (Rights of Consumers) Rules, 2020.
- > Amendments have been made in the Rules to facilitate faster installation and enhance the ease of setting up Rooftop Solar PV systems at the premises of prosumers.
- > The amended Rules exempted rooftop solar systems up to 10 kW from feasibility study requirements.



> For systems of capacity higher than 10 kW, the timeline for completing the feasibility study has been reduced from 20 days to 15 days; failure to meet this deadline will result in presumed technical feasibility and approval.











- Distribution company (DISCOM) has been mandated to undertake distribution system strengthening necessary for rooftop solar PV systems up to 5 kW capacity at its own cost.
- DISCOM has been made responsible for enhancing sanctioned load for exempted systems.
- > Timeline for DISCOM to commission Rooftop Solar PV systems has been reduced from 30 days to 15 days.

POLICY AND REGULATORY

- >> CERC RELEASED DRAFT CERC (TERMS AND CONDITIONS FOR TARIFF DETERMINATION FROM RENEWABLE ENERGY SOURCES)
 REGULATIONS, 2024
- CERC released the draft CERC (Terms and Conditions for Tariff determination from Renewable Energy Sources) Regulations, 2024.
- > These regulations will be applicable to cases, where CERC is required to determine the tariff for a grid-connected generating station or a unit commissioned during the control period, specifically based on renewable energy sources.

> The Control Period under these regulations is 1st April, 2024 to 31st March, 2027.















- > CERC is responsible for determining the annual generic tariff for various categories of renewable energy projects, namely - small hydro projects, biomass power projects utilizing rankine cycle technology, non-fossil fuel-based co-generation projects, biomass gasifier-based power projects, biogas-based power projects, and municipal solid waste-based power projects and refuse-derived fuel-based power projects.
- > For several other specified renewable energy projects, the CERC is responsible for determining the project specific tariff on case to case basis.
- > Stakeholders or interested parties may submit their comments, suggestions or objections on the draft regulations to the CERC by 14th March, 2024.





