

No: KERC/S/F-31/Vol-382/ 1285

KARNATAKA ELECTRICITY REGULATORY COMMISSION

No.9/2, 6th & 7th Floor, Mahalakshmi Chambers,
M.G. Road, Bangalore-560 001

Date: 7th November, 2017.

Present:

Sri. M.K. Shankaralinge Gowda	Chairman
Sri. H.D. Arun Kumar	Member
Sri. D.B. Manival Raju	Member

In the matter of: **Tariff Order for SRTPV plants violating the norms specified
for implementation of the SRTPV plants.**

ORDERS

1. The Commission in its Order dated 10th October, 2013 had determined the tariff and other norms for the Solar Rooftop and Small Photovoltaic Power Plants, under net-metering concept, without any restriction on the installed capacity with respect to the sanctioned load of the consumer's installation. The applicable tariff was determined at Rs 9.56 per unit and such plants were allowed to have installed capacity upto 1MW irrespective of the sanctioned load.
2. Further, the Commission in its Order dated 2nd May, 2016 had determined the revised tariff and other norms for Solar Rooftop and Small Photovoltaic Power Plants. The Commission while adopting net-metering

concept in general, had adopted gross-metering concept for consumers of Domestic, Hospitals and Educational institutions, wherein the entire energy generated by the solar rooftop plant is allowed to be injected into the grid. The Commission had also allowed installed capacity of such plants to be upto 150% of the sanctioned load, as these solar plants operate at a very low capacity utilisation factor.

3. The Commission, subsequently, in its Order dated 19th September, 2016 decided to allow one-time irrevocable option of either gross or net metering arrangement for consumers under Domestic, Hospital and Educational institution categories, to be exercised at the time of signing of PPA. It also decided to limit the installed capacity of the Solar PV plant to 100% of the sanctioned load.
4. The Commission, subsequently, in its communication dated 27th September, 2016 addressed to all the ESCOMs, decided that there will be no revision in the time limit allowed for commissioning of the SRTPV projects and the ESCOMs were directed to ensure completion and commissioning of the SRTPV projects on existing roofs within the stipulated period of six months so as to be eligible for the tariff of Rs 9.56 per unit agreed to in the PPA executed and that if there was any delay in commissioning of the project within the stipulated period, the consumer concerned would be eligible for the revised tariff, as per the Commission's Order dated 02.05.2016.
5. In the meanwhile, it was brought to the notice of the Commission that a large number of PPAs, executed in respect of the SRTPV projects have been terminated or in the process of being terminated for reasons like, not commissioned within stipulate time, extension of the roof area of the existing building in violation of the terms of the PPA/sanction order or the roof on which the SRTPV plant is installed is not a building, as specified by the State Government, etc. It was also brought to the notice of the

Commission that, such consumers have come forward to commission the SRTPV plants at rates different from that agreed in the PPAs.

6. The Commission notes that the commissioning of the affected SRTPV plants, involving large investments by respective consumers, would be in the larger public interest. These SRTPV plants, not being commissioned within the stipulated time cannot, however, now be made eligible for the tariff fixed under the relevant Order of the Commission, though the limit on installed capacity could be made as applicable under the relevant Order.
7. Hence, the following Order:

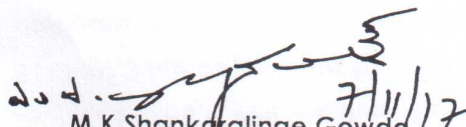
ORDER

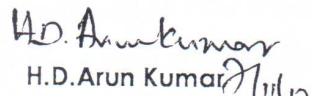
- a. A consumer having executed a PPA with any ESCOM in respect of his/her proposed SRTPV plant in terms of the Commission's Order dated 10.10.2013 but, having such a PPA cancelled for the delay in commissioning of the project within the stipulated period, shall be allowed to commission the project and shall be entitled for the revised tariff, as in the Commission's Order dated 02.05.2016, subject to he/she entering into a fresh PPA and commissioning the project on or before 31.12.2017.
- b. A consumer having executed a PPA with any ESCOM, in respect of his/her proposed SRTPV plant in terms of the Commission's Order dated 02.05.2016, but having such PPA cancelled for delay in commissioning of the project within the stipulated period, shall be allowed to commission the project at the tariff of Rs.3.57 per unit being the notified APPC for FY18 for the term of the PPA, subject to he/she entering into a fresh PPA and commissioning the project on or before 31.12.2017.

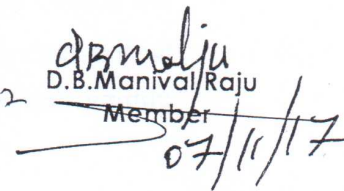


- c. A consumer having executed PPA with any ESCOM in respect of his/her proposed SRTPV plant in terms of the Commission's Order dated 10.10.2013 or 02.05.2016 but, having such a PPA cancelled for reasons other than non commissioning of the plant within the stipulated period shall have the option to commission the SRTPV plant with the capacity as in the original PPA and shall be entitled to a tariff of Rs.3.57 per unit, being the notified APPC for FY18 for the term of the PPA, subject to he/she entering into a fresh PPA and commissioning the project on or before 31.12.2017.
- d. In respect of the plants, in all above cases, all the technical and operational conditions/specifications shall be applicable, as per the relevant Orders, Regulations and the Code.
- e. In all cases of consumers having executed PPA with any ESCOM in respect of his/her proposed SRTPV plant in terms of the Commission's Order dated 10.10.2013 but not having commissioned the SRTPV plants on or before 31.12.2017 and whose matter relating to such a PPA is not before any Court of Law, the concerned ESCOM shall take action to terminate the PPA as per the terms of the PPA .
- f. All ESCOMs, shall communicate this Order to all the SRTPV PPA holders who have not yet commissioned the project and the gist of this Order shall be published in the local news paper.

This Order is signed and issued by Karnataka Electricity Regulatory Commission on this 7th day of November, 2017.


M.K. Shankaralinge Gowda
Chairman


H.D. Arun Kumar
Member


D.B. Manival Raju
Member