

ASSAM ELECTRICITY REGULATORY COMMISSION

(Micro/Mini-Grid Renewable Energy Generation and Supply) Regulations, 2017, Dated: 06-01-2018

Sl. No.	Description	Summary
1.	Model for Business Operations	<p>MGO may implement Micro/Mini-Grid projects for supply of electricity in Micro/Mini-Grid areas where grid is not in existence. Following operational model as approved by the Commission:</p> <p>a) i) MGO who proposes to construct, commission, operate shall apply to the Distribution Licensee before implementation of the Micro/Mini-Grid projects for generation and supply of electricity through PDN in areas where Distribution Licensee's System doesn't exist.</p> <p>ii) The Distribution Licensee shall give no objection certificate (NOC) within 30 days of receipt of the proposal from the MGO, if they do not have any plan for extension of the Grid within a period of next 2 (two) years and an MoU between Distribution Licensee and MGO shall be executed which will be converted to an agreement at the time of Commissioning of the project.</p> <p>iii) The Distribution Licensee shall prepare a model agreement for execution with MGO and submit to the Commission for approval within 3 months from the date of notification of these Regulations.</p> <p>b) i) MGO shall be entitled to supply entire quantum of electricity generated from the Micro/Mini-Grid projects to the consumers within the Micro/Mini Grid area at mutually agreed tariff with the consumers.</p> <p>ii) Upon grid arrival, MGO shall generate and supply entire electricity generated to the Distribution Licensee at the interconnection point at FIT determined by the Commission.</p> <p>c) The MGO may transfer ownership of PDN conforming to the standards of Distribution Licensee's system to Distribution Licensee with mutual consent based on book value of assets on the date of transfer.</p> <p>d) Upon grid arrival and interconnection of PDN with the grid, the Distribution Licensee shall take over the Billing and Collection activity of the consumers in accordance with the retail Tariff order of the Commission.</p>
2.	Technical Standards for PDN	<p>1. Technical Standards for construction of PDN shall be as per the standard followed by Distribution Licensee in accordance with the Central Electricity Authority Regulations, 2010 as amended from time to time.</p> <p>2. MGO shall be responsible for safe Operation and Maintenance of the PDN as per the CEA (Measures relating to safety and Electric Supply) Regulations, 2010 as amended from time to time.</p>
3.	Technical Standards for Interconnection with the Grid	<p>1. Central Electricity Authority Regulations, 2013 as amended from time to time shall be applicable for interconnection of the Micro/Mini-Grid project with the Grid.</p> <p>2. The cost for interconnection network from the MRES to the Interconnection point shall be borne by the MGO.</p>
4.	Metering Arrangement	<p>1. All the meters shall adhere to the standards and provisions specified in CEA (Installation and operation of meters) Regulations, 2006 as amended from time to time.</p> <p>2. MGO shall install meter as per the following requirements:</p> <p>(a) Generation meter at the Micro/Mini-Grid project to record the generation of electricity; and</p> <p>(b) Meter(s) at each of the outgoing feeder(s) from the Micro/Mini-Grid project.</p> <p>(c) Meter(s) at consumers premises to record the electricity consumption of the consumer.</p>

5.	Energy Accounting and Settlement for supply to consumers before Grid Arrival	MGO shall mutually decide with the consumers the Tariff for supply and the billing and payment mechanism. The same along with projects details shall be submitted to the Commission at least a month before the commencement of Operation.
6.	Energy Accounting and Settlement for supply to Distribution Licensee after Grid Arrival	<ol style="list-style-type: none"> 1. MGO shall raise monthly bill against the electricity injected to the Distribution licensee's system at the interconnection point based on the consumption recorded by the meter during the previous month. 2. The distribution licensee shall make the payment of the bill to the MGO within the 15 days from the date of issue of the bill.
7.	Energy Accounting and Settlement. for Distribution Franchisee activities	<ol style="list-style-type: none"> 1. The MGO if engaged as a Distribution Franchisee shall bill the consumers in the area as per the retail Tariff approved by the Commission. 2. MGO shall raise bill to Distribution Licensee for Distribution Franchisee as per the terms of the DFA.
8.	Renewable Purchase Obligation	The quantum of electricity generated from the MRES shall qualify towards compliance of RPO by the obligated entities.
9.	Renewable Energy Certificate mechanism	Applicability of REC shall be based on the Central Electricity Regulatory Commission (Terms and conditions for recognition and issuance of Renewable Energy Certificate for Renewable Energy Generation) Regulations, 2010 or as amended from time to time.
10.	Exit Options	<ol style="list-style-type: none"> 1. The MGO. who intend to exit from the Micro/Mini-Grid project shall have to serve notice on the Distribution Licensee, State Nodal Agency with intimation to the Commission about his intension of exit prior to 90 days of his exit. 2. The Exit options will be governed by the Agreement(s) signed by the MGO and Distribution Licensee. 3. Distribution Licensee may take over the MRES from the MGO as per terms of the agreement and may operate of its own.
11.	Micro/Mini-Grid Operator	<ol style="list-style-type: none"> 1. Execute the functions as outlined under PPA and DFA (as applicable) with the Distribution Licensee of the area upon interconnection with grid. 2. In case of any default or breach of conditions by the consumers, including but not limited to non-payment, theft, misuse, misrepresentation, fraud the MGO shall be entitled to take an appropriate action as per the relevant provision of the Act and rules and Regulations made there under.
12.	Payment Security	<ol style="list-style-type: none"> 1. The Distribution Licensee shall prioritize making payments to MGO wherever such payments are due to MGO under the PPA or otherwise. 2. The cost of power purchased from the Micro/Mini Grid project by the Distribution Licensee shall be recovered and from a part in the ARR and will also qualify for RPO Obligation.
13.	Implementation Guidelines	Within three months of official notification of these Regulations, the Distribution Licensee shall develop Implementation guidelines governing the Micro/Mini-Grid project framework.