

Raipur, the 21st March 2016

## REGULATION

No. 68/CSERC/2016.— In exercise of the power vested to the State Commission under section 61, 86 read with Section 181 of the Electricity Act 2003 (36 of 2003) and all other powers enabling it in this behalf, Chhattisgarh State Electricity Regulatory Commission (the Commission) made Chhattisgarh State Electricity Regulatory Commission (Terms and conditions for determination of generation tariff and related matters for electricity generated by plants based renewable energy sources) Regulations, 2012 (CSERC RE Tariff Regulations 2012 or the Principal Regulations) to specify specifying the terms and conditions of tariff for wind based electricity generating stations, small hydro electricity generating stations, biomass based electricity generating stations and solar based electricity generating stations for the purpose of sale of power to distribution licensees. These Regulations came into force from the date of notification in the Chhattisgarh Gazette (Rajpatra) i.e. July 27, 2012 for the five year control starting from FY 2012-13 to FY 2016-17.

The Commission subsequently notified the Chhattisgarh State Electricity Regulatory Commission (Terms and conditions for determination of generation tariff and related matters for electricity generated by plants based renewable energy sources) (First Amendment) Regulations, 2013.

In pursuance of the Principal Regulations and its subsequent amendment, the Commission hereby makes the following regulations to amend the Principal Regulations.

**1. Short title and commencement**

- 1.1 These Regulations may be called the Chhattisgarh State Electricity Regulatory Commission (Terms and conditions for determination of generation tariff and related matters for electricity generated by plants based renewable energy sources) (Second Amendment) Regulations, 2016.
- 1.2 These Regulations shall come into force from April 01, 2016 and shall remain in force upto end of financial year 2016-17.

**2. Substitution of new sub regulation for sub regulation (m) of regulation 2.1**

For sub regulation (m) of regulation 2.1 of the principal Regulations, the following sub regulation shall be substituted, namely:-

- (m) **"Firm Power"** means any electricity supplied from and after the COD of project

**3. Substitution of new sub regulation for sub regulation (x) of regulation 2.1**

For sub regulation (x) of regulation 2.1 of the principal Regulations, the following sub regulation shall be substituted, namely:-

- (x) **"Non-firm power"** means the power generated from renewable sources, the hourly variation of which is dependent upon nature's phenomenon like sun, cloud, wind, etc., that cannot be accurately predicted;

**4. Substitution of Regulation 3.2**

For regulation 3.2 of the principal Regulations, the following regulation shall be substituted, namely:-

- 3.2 In case of existing RE projects having long term PPA with distribution licensee of 20 years or more, which have achieved COD before April 01, 2012, applicable tariff (fixed charges) shall be governed by Order dated December 28, 2011 in P No 22 of 2011(T) and amendments thereof as issued from time to time by the Commission for the duration of the Tariff Period as stipulated under Order dated December 28, 2011 in P No 22 of 2011(T) whereas energy charges will be determined as per provisions in these regulations. However on completion of validity of Order dated December 28, 2011 in P No 22 of 2011(T) for such projects, the new tariff will be decided on basis of norms specified in these regulations on generic/project specific basis on the request of generators or licensees. Further in such cases for determination of the tariff after

currency of the tariff order, the capital cost shall be allowed as specified in the then prevailing orders and other financial parameters will be governed by these regulations. All the other terms and conditions of existing projects shall be governed by these Regulations.

#### 5. Substitution of Regulation 7.1 (i)

For regulation 7.1(i) of the principal Regulations, the following regulations shall be substituted, namely:-

- i. Municipal Waste based Projects till the time separate specific regulation in this regard is notified by the Commission.

#### 6. Substitution of Regulation 11

For regulation 11 of the principal Regulations, the following regulations shall be substituted, namely:-

- 11.1 All renewable energy power plants except for biomass power generating station shall be treated as 'MUST RUN' power plants and shall not be subjected to scheduling and merit order despatch principles. The biomass power generating station shall be subjected to monthly scheduling.

Provided that subsequent to the notification of intra-State ABT/Deviation settlement Mechanism/UI Regulations, scheduling and deviation charges of renewable energy based power plants will be governed by the intra-State ABT/Deviation settlement Mechanism/UI Regulations.

- 11.2 Biomass generating plants shall give a monthly schedule of their power supply to take place in next month to distribution licensees by 23<sup>rd</sup> of the month. If the monthly schedule for the next month is not submitted by biomass generating plants up to 23<sup>rd</sup> of the current month, the current month schedule shall be considered for all calculation purposes. Monthly schedules accepted by the distribution licensee may be revised on an application to that effect made to the nodal agency by biomass generators.

Provided that such revision of the schedule shall not be effective before the expiry of minimum period of two days.

Provided further that the day on which notice for revision of the schedule is served to the distribution licensee and the day from which such revision is to be implemented shall be excluded for computing the period of two days.

Provided further that only two revision in the monthly schedule shall be permitted which should not be for successive months.

- 11.3 Load factor for the power supplied by the biomass power generating plant to the distribution licensees shall be calculated on the basis of scheduled quantum. Load factor will be calculated as follows:

$$\text{Load factor} = \frac{\text{number of actual units supplied during the month (MU)}}{\text{Scheduled quantum (MU)}}$$

- 11.4 Rates (fixed charges plus energy charges) determined for the biomass power generating station will be base rate for power supply at 80% and above load factor. Effective rate for power supply below 80% load factor will be calculated as follows;

$$\text{Effective rate (Rs.)} = \frac{(\text{fixed charges} + \text{energy charges}) \times \% \text{ load factor}}{80\%}$$

However minimum effective charge shall be energy charges as decided by the Commission.

- 11.5 Rates for over injection, over and above 110% of the monthly scheduled energy, shall be energy charges only.

- 11.6 Demand charges for start-up power shall be governed through the appropriate tariff order for distribution licensee issued by the Commission.
- 11.7 **Netting of Energy:** Netting of energy for those RE generating plants which are supplying power to the distribution licensee would be permitted on monthly basis against the import of start-up energy from the grid.
- 11.8 **Banking of Energy:** Banking of energy for RE generating plants would be permissible for three months for those plants which have not entered into agreements with distribution licensee for supply of electricity generated in full to the distribution licensee.

Provided that the RE generating plants install the ABT meter at the point at which licensee receives power.

Provided that 2% of the energy will be adjusted by distribution licensee while releasing the energy by distribution licensee as banking charge per month.

Provided also that when the generator withdraws energy during peak hours, which is deposited during off-peak hrs as defined in the tariff order, he should compensate the licensee by paying the difference between the cost of his power and the annual average power purchase cost of that financial year.

## 7. Substitution of Regulation 44

For regulation 44 of the principal Regulations, the following regulation shall be substituted, namely:-

### 44 Calorific Value

- 44.1 The average Calorific Value of the biomass fuel(s) used for the purpose of determination of tariff for biomass power projects with MNRE specified fuel mix ratio of 85:15 (biomass:coal) shall be 3300 kcal/kg and for fuel mix ratio of 75:25 (biomass:coal) shall be 3338 kcal/kg (biomass:coal).

## 8. Substitution of Regulation 45.1

For regulation 45.1 of the principal Regulations, the following regulation shall be substituted, namely:-

- 45.1 Biomass fuel price shall be 2476 Rs/MT during first year of the control period (i.e., FY 2012-13) and thereafter shall be linked to indexation mechanism as specified under Regulation 45.2 and 45.3.

However biomass fuel price for the year fifth year of the control period (i.e. FY 2016-17) shall be determined through independent study. Independent study would be carried out by a six member State level Committee consisting following members nominated by the Commission;

- Representative of State Govt. - Chairman
- Representative of CG State Co-operative Marketing Federation Ltd. -Member
- Representative of State Nodel Agency (CREDA) - Member- Convener
- Representative of State Distribution Company (CSPDCL) - Member
- Representative of biomass power producers association - Member
- Consumer representative - Member

After study, the Committee will arrive at biomass fuel price and will submit applicable biomass fuel price within two months.

**9. Deletion of Regulation 45.4**

Regulation 45.4 of the Principal Regulations shall be deleted.

By the order of the Commission,

Sd/-

**(P. N. Singh)**  
Secretary.