

JAMMU & KASHMIR STATE ELECTRICITY REGULATORY COMMISSION

**(Mini-Grid Renewable Energy Generation and Supply) Regulations 2016,
Dated: 19-12-2016**

Sl. No.	Description	Summary
1.	Scope of Regulations	<p>1. The Mini Grid Projects with an installed capacity up to 500 kW shall be governed by these Regulations.</p> <p>2. The Mini Grid Operator shall supply electricity in the rural areas and areas having inadequate supply of electricity during peak hours and/or compulsory supply hours in the State of Jammu & Kashmir.</p>
2.	Eligibility	The Mini Grid Operator/ Rural Energy Service Provider should be a local authority, Panchayat Institutions, Users' Association, Cooperative Societies, Non-Governmental Organizations, or Franchisees.
3.	Models for Business Operations	<p>1. Model A: No existence of Grid</p> <p>(a) Generate and supply electricity to the consumers as per the Standard Operating Procedure. The Mini Grid Operator shall supply to the consumers at mutually agreed tariff or the tariff for the Mini-Grid Projects with the subsidy as may be approved by the State Govt. and sell excess/surplus electricity to the Distribution Licensee at the inter connection point at the applicable FIT, or</p> <p>(b) Generate and supply entire electricity generated to the Distribution Licensee at the inter-connection point at the applicable FIT.</p> <p>(c) The Mini Grid Operator shall have the option to transfer the ownership of the Project Distribution Network, provided the Project Distribution Network conforms to the standards of the Distribution Licensee's system, to the Distribution Licensee with mutual consent on depreciated value of assets. The depreciated value shall be determined by applying the Straight Line Method on the book value of the Project Distribution Network as per Cost Data Book of the Distribution Licensee for the year of commissioning of the Mini Grid Project.</p> <p>(d) In the event of Mini Grid Operator intending to exit from the Mini-Grid Area upon the Grid Arrival, it may opt to sell the Project Distribution Network to the Distribution Licensee, conforming to their existing standards and shall intimate the Distribution Licensee regarding the sale of the Project Distribution Network.</p> <p>2. Model B: Grid Pre-exists</p> <p>The Mini Grid Operator shall build, commission, operate and maintain the Mini-Grid Projects for generation and supply of electricity through the Project Distribution Network in the Mini-Grid Areas where the Distribution Licensee's System pre-exists. Capacity of the MRES shall be based on capacity declared and intimated to the Commission, the State Nodal Agency and the concerned Distribution Licensee by the Mini Grid Operator.</p>
4.	Technical Standards for Construction of the Project Distribution Network	<p>1. The Mini-Grid Projects with installed capacity above 50kW shall ensure that the Technical Standards for construction of Project Distribution Network conforms to the following:</p> <p>(a) Construction manual for design and construction of lines as adopted and used by Jammu & Kashmir Power Development Department (JKPDD), or</p>

		<p>(b) The Central Electricity Authority (CEA) (Measures relating to Safety and Electric Supply) Regulations, 2010 and amended thereof.</p> <p>2. To incentivize electrification, the Mini-Grid Projects with installed capacity up to 50kW shall be allowed to construct distribution network for supply of electricity to its consumers, conforming to at least the following materials:</p> <p>(a) Poles made of Portland Cement Concrete i.e. P.C.C.,</p> <p>(b) Polyvinyl Chloride i.e. PVC covered aluminum cable supported by Galvanized Iron i.e. G.I. wire,</p> <p>(c) The Service connection to be provided only through the junction boxes mounted on the pole.</p> <p>3. The Public Distribution Network of a mini grid can be designed to carry either Alternating Current (high power application) or Direct Current (low power application & closely located loads) or a combination of AC & DC in the mini grid. The recommended levels are as follows:</p> <p>(a) DC Mini grids:</p> <p>(i) 24 V DC upto 1 kW</p> <p>(ii) 72 V DC above 1 kW to 10 kW</p> <p>(b) AC Mini grids:</p> <p>(i) 220 V single phase up to 10 kW</p> <p>(ii) 440 V three phase beyond 10 kW</p>
5.	Technical Standards for Inter-connection with the Grid	The inter-connection of the MRES with the Distribution Licensee's system shall comply with the CEA Regulations, 2013 and amendments thereof.
6.	Metering Arrangement	All the meters shall adhere to the standards and provisions specified in the CEA (installation and operation of meters), Regulations 2006 and amendments thereof.
7.	Types of Tariff and Revenues	The Jammu and Kashmir Electricity Act, 2010 exempts MGO from mandatory licensing requirement for generation and distribution of electricity in a rural area to be notified by the Government.
8.	Distribution Franchisee Framework	<p>1. The Distribution Licensee may appoint the Mini Grid Operator as the Distribution Franchisee (DF) in the Mini-Grid Areas.</p> <p>2. In such case, the Mini Grid Operator shall enter into the Distribution Franchisee Agreement (DFA) with the Distribution Licensee for undertaking operations on behalf of the Licensee and shall be compensated through the Distribution Franchisee Fee mechanism.</p>
9.	Energy Accounting and Settlement for supply to Consumers	The billing cycle shall be on monthly/bi-monthly basis between the Mini Grid Operator and the consumers for post-paid electricity connections.
11.	Duties of the State Nodal Agency	<p>State Nodal Agency shall keep records of all mini grids in the state with status. SNA will be the supervisor organization for all mini grids. It may also facilitate injection of funds to revive defunct mini grids. Categorization based on installed capacity should be as under:</p> <p>(a) Less than 10 kW- Category A</p> <p>(b) From 10kW to 100 kW- Category B</p> <p>(c) From 100 kW to 250 kW- Category C</p> <p>(d) From 250 kW and above –Category D</p>
12.	Exit Options	<p>1. The Mini Grid Operator shall be allowed to exit the Mini-Grid Area after providing ninety (90) days prior intimation to the Commission, the State Nodal Agency and the concerned Distribution Licensee (if applicable).</p> <p>2. The exit options will be governed by the Agreement(s) signed by the Mini Grid Operator.</p>

13.	Grievance Redressal Mechanism	<ol style="list-style-type: none">1. The Committee comprising of nominees of MGO and the distribution licensee shall resolve and/or facilitate resolution of dispute arising between the Mini Grid Operator and the Distribution Licensee.2. If dispute is not resolved within a period of three (3) months, the aggrieved party may approach the Commission.3. Grievance of any consumer shall be redressed in accordance with the provisions of the JKSERC Regulations, 2012.
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