



A consumer is the important visitor on our premises.
He is not dependent on us. We are dependent on him.
-Mahatma Gandhi

TAMIL NADU ELECTRICITY OMBUDSMAN

4th Floor, SIDCO Corporate Office Building, Thiru-vi-ka Industrial Estate,
Guindy, Chennai – 600 032.

Phone : ++91-044-2953 5806, 044-2953 5816 Fax : ++91-044-2953 5893

Email : tneochennai@gmail.com Web site : www.tnerc.gov.in

Before The Tamil Nadu Electricity Ombudsman, Chennai

Present : Thiru. N.Kannan, Electricity Ombudsman

A.P.No. 62 of 2024

BY RPAD

Thiru S.N. Thangaraju,
No.143/65, Sampath Nagar,
Erode – 638 011.

. Appellant
(Thiru S.N. Thangaraju)

Vs.

1. The Executive Engineer/Urban/Erode,
Erode Electricity Distribution Circle,
TANGEDCO,
948, EVN Road, Erode-638009.

2. The Assistant Executive Engineer/West/Erode,
Erode Electricity Distribution Circle,
TANGEDCO,
948, EVN Road, Erode-638009.

3. The Assistant Engineer/ Narayanavalasu,
Erode Electricity Distribution Circle,
TANGEDCO,
Nasiyanur Main Road, Narayanavalasu, Erode-638009.

. . . . Respondents
(Thiru R. Shanmugasundaram, EE/Urban/Erode
Thiru P. Anbu Chezian, AEE/West/Erode
Thiru S.Anand, AE/Narayanavalasu)

Petition Received on: 23-08-2024

Date of hearing: 09-10-2024

Date of order: 21-10-2024

The Appeal Petition received on 23.08.2024, filed by Thiru S.N. Thangaraju, No.143/65, Sampath Nagar, Erode – 638 011 was registered as Appeal Petition No. 62 of 2024. The above appeal petition came up for hearing before the Electricity Ombudsman on 09.10.2024. Upon perusing the Appeal Petition, Counter affidavit, written argument, and the oral submission made on the hearing date from both the parties, the Electricity Ombudsman passes the following order.

ORDER

1. Prayer of the Appellant:

The Appellant has prayed to extend net metering facility to the SC No. 04-008-001-490.

2.0 Brief History of the case:

2.1 The Appellant has prayed to extent net metering facility to the SC No. 04-008-001-490.

2.2 The Respondent has stated that the petitioner's SC No. 04-006-001-490 is not eligible under Net metering since additional power load was sanctioned over and above the original sanction load as per TNERC Tariff Order No 8/2021 dated 2210.2021.

2.3 Hence the Appellant has filed a petition with the CGRF of Erode EDC on 25.04.2024.

2.4 The CGRF of Erode EDC has issued an order dated 07.08.2024. Aggrieved over the order, the Appellant has preferred this appeal petition before the Electricity Ombudsman.

3.0 Orders of the CGRF :

3.1 The CGRF of Erode Electricity Distribution Circle issued its order on 07.08.2024. The relevant portion of the order is extracted below: -

“Order:

மனுதாரர் மன்றத்திற்கு சமர்ப்பித்த ஆவணங்களின் அடிப்படையில் 21.06.2024 அன்று நடைபெற்ற மின் நுகர்வோர் குறை தீர்க்கும் மன்றம் கூட்டத்தின் விசாரணையில் கலந்து கொள்ளவில்லை. மின்வாரிய தரப்பினர் மட்டும் கலந்து கொண்டனர் மின் இணைப்பு எண் 04-008-001-490/V க்கு TNERC விதிகளின் படி G.O NO.08 clause dt.22-10-2021 4(3)ன் படி Net-feed in முறையில் கணக்கீடு செய்யப்பட்டு வருவது சரியே என்று உத்தரவு வழங்கி மனுதாரரின் மனுவானது தள்ளுபடி செய்யப்படுகின்றது."

4.0 Hearing held by the Electricity Ombudsman:

4.1 To enable the Appellant and the Respondent to put forth their arguments, a hearing was conducted on 09.10.2024 through video conferencing.

4.2 The Appellant Thiru S.N. Thangaraju attended the hearing and put forth his arguments.

4.3 The Respondent Thiru R. Shanmugasundaram, EE/Urban/Erode, Thiru P. Anbu Chezian, AEE/West/Erode and Thiru S.Anand, AE/Narayanavalasu of Erode Electricity Distribution Circle attended the hearing and put forth his arguments.

4.4 As the Electricity Ombudsman is the appellate authority, only the prayers which were submitted before the CGRF are considered for issuing orders. Further, the prayer which requires relief under the Regulations for CGRF and Electricity Ombudsman, 2004 alone is discussed hereunder.

5.0 Arguments of the Appellant:

5.1 The Appellant has stated that electricity consumers who have been provided with the solar net-metering facility under the Tamilnadu Solar Energy Policy 2012 may add additional solar energy capacity and retain the solar energy net-metering facility, provided that the total solar energy capacity shall not exceed the sanctioned load of the service connection as already provided for in the Commission's Order dated 22-12-2020 in M.P.no.32 of 2020. As said in the above order the petitioner was eligible for the net metering and hence it was requested that his bills may be revised and the amount recovered may be refunded early please.

6.0 Arguments of the Respondent:

6.1 The Respondent has stated that Thiru S.N Thangaraji in his name has been given electricity connection number 04-008-001-490/ Tariff V. He has applied for solar power connection for this power connection on 02/2019.

6.2 The Respondent has stated that Order No.3 of 2013 dt.13.11.2013 (Order on LT Connectivity and Net Metering in regard to Tamilnadu Energy Policy 2012).

“Eligible consumers for Net-Metering

2.1. The categories of consumer eligible for net-metering have been prescribed under clause 15 and 22.1 of the Tamilnadu Solar policy 2012. Such categories have not been defined in the Commissions regulation or order. To give more clarity and easy implementation, the categories of consumer covered under HT tariff II-A, HT tariff III. LT tariff I-A, LT tariff I-C, Tariff II-B(AND LT Tariff V, as specified in the commission's retail tariff order in force are considered to be the Eligible consumers for the purpose of net metering. Both the existing and new Solar rooftop/ Solar system which comply with this order are eligible for Net-Metering.”

6.3 The Respondent has stated that as per TNERC order No.13/2013 dt.13.11.2013, on 28.02.2019 solar power generation for the power capacity of 2.880 KW has been connected to the above power connection provided with net meter.

6.4 The Respondent has stated that in this case, the power capacity of the petitioner has increased from 4.72 KW to 5.0 KW on 25.12.2020 due to the use of power capacity in excess of the permitted power capacity in the above commercial power connection. 20.04.2022 from 5.0 kw to 6.00 kw has also been regularized in the system.

6.5 The Respondent has stated that subsequently the petitioner has applied through the website for an additional 1.00 KW in the above commercial power connection 04-0008-001-490 making a total of 7.00 KW on 26.10.2023. An additional load of 1 KW has been given to 7.00 KW on 27.10.2023 for this connection.

6.6 The Respondent has stated that after this an application has been received through website on 03-10-2023 for additional power generation capacity of 3.120 KW in 04-008-001-490 solar power generation. Based on this, the solar power generation capacity has been increased from 2.880 kilowatts to 6.00 kilowatts on 23-01-2024 along with additional power generation. As per TNERC Tariff order no.8/2021 dated 22.10.21 from 27-02-2024 electricity connection has been systematized from net-metering to Net-feed in.

6.7 The Respondent has stated that in this case, the petitioner has approached the E-Consumer Grievance Redressal Forum on 25-04-2024 and the E-Consumer Grievance Redressal Forum has issued the following order.

" Based on the documents submitted to the petitioner did not attend the hearing at the meeting of the Electricity Consumers Grievance Redressal Forum held on 21.06.2024. Power Board parties SC No. 04-008-001-490/TF-V TNERC GO. No.08 clause dt.22.10.2021 4 (3) - Net feed in method of calculation is correct, this court gives final order and dismisses the petition of the petitioner."

6.8 The Respondent has stated that Tamil Nadu Regulatory Commission Tariff order for grid Interactive PV Solar Generation system Order No.8/2021 dt. 22.10.2021 has given below;

"9. Applicability.

9.1 Net metering: All domestic consumers are eligible for Net metering mechanism up to the level of sanctioned load/ contracted demand. Domestic consumers have an additional option of choosing the net-feed in mechanism.

Domestic consumers who have been provided with the solar net-feed-in facility as per TNERC Order No.3 of 2019 shall have option to migrate to the solar energy net metering mechanism as provided for in this order to avoid discrimination within the same category of consumers.

9.2 Net billing or net feed-in: The solar energy net billing or net feed-in mechanism will be available to all electricity consumer categories (except hut and agriculture) irrespective of tariff and voltage levels up to the level of sanctioned load/contracted demand up to a maximum capacity of 999 kW.

9.8 Domestic consumers who have been provided with the solar net-feed-in facility as per TNERC Order No.3 of 2019 shall have option to migrate to the solar energy

net metering mechanism as provided for in this order to avoid discrimination within the same category of consumers.

9.9 Electricity consumers who have been provided with the solar net-metering facility under the Tamil Nadu Solar Energy Policy 2012 may add additional solar energy capacity and retain the solar energy net-metering facility, provided that the total solar energy capacity shall not exceed the sanctioned load of the service connection as already provided for in the Commission's Order dated 22-12-2020."

6.9 In MP No.32/2020 Tamil Nadu Electricity Regulatory Commission vide 32/2020 dated 27.12.2020. In a copy of the judgment dated as follows, the order is passed.

"The consumers who are presently under the net meter scheme of Tamil Nadu Solar Policy. 2012 seeking approval to additional rooftop solar PV capacity, under the net-feed-in scheme rolled out under the Tamil Nadu Solar Policy, 2019. The petitioner has submitted that the above request of the petitioner is based on a premise that the net meter scheme under Tamil Nadu Solar Policy 2012 no longer exists after the Solar Policy 2019 issued by the State Government. Secondly, the additional solar PV capacity along cannot be considered under the new net feed-in scheme due to the different methodologies of billing of energy under the net meter scheme and the net feed-in scheme where the former is based on energy adjustments and the latter on monetary value adjustments, and therefore any applicant who is under the net meter scheme and who requires additional solar PV capacity may furnish willingness to change over to the net feed-in scheme in entirety and furnish and undertaking to the said effect.

5.2 In the Order No.3 of 2019, dt. 25.03.2019 on 'Rooftop Solar Generation issued under the Tamilnadu Solar Policy 2019, Commission has made it clear that consumers under the net metering scheme shall continue to be governed by Order No.3 of 2013 dt.13.11.2013.

Para 2.0 on Applicability of Order No.3 of 2019 is extracted below: 2.0 Applicability"

2.1 This order on new scheme of rooftop Solar generation, namely, Solar net feed-in consumer category is applicable to all new applicants from the Eligible consumer category notified in para 3.0 of this order. The date of effect of this order is 25.03.2019, the date of passing of order by the Commission in M.P. No.9 of 2017.

2.2 The existing consumers under the net metering scheme shall continue to be governed by the provisions in the Order No.3 of 2013 dt. 13.11.2013."

Therefore, applications for installation of additional Soar PV capacity from consumers under the net meter scheme of Order No.3 of 2013 shall be processed as per the provisions of Order No.3 of 2013 dt.13.11.2013, provided the installed solar PV capacity does not exceed the sanctioned load of the service connection. As to the grid penetration limit, Commission decides to relax the restrictions of 30% limit on DT capacity in Order No.3 of 2013 for the reason that the Distribution Licensee will have difficulties in operating the two schemes of net meter and net feed-in with different restrictions on penetration in the same DT. Therefore, the first sentence of clause 6.1 in Order No.3 of 2013 dt. 13.11.2013 under '6. Restrictions on grid penetration is amended as follows:

6.1. "At the local distribution level connectivity to rooftop solar/ Solar systems shall be restricted to 90% of the distribution transformer capacity on the basis of first come first served".

Therefore, as per the above TNERC Solar rules, only the household electricity connections having solar power connection are allowed to switch from Net-feed in categories to Net metering category.

6.10 The Respondent has stated that 04-008-001-490 Solar Net Metering in Commercial Electricity Connection on 28-02-2019 Solar electricity connection for 2.880 KW has been provided.

6.11 The Respondent has stated that also due to utilization of power capacity in excess of the sanctioned power capacity on 25.12.2020 power capacity was raised from 4.72 KW to 5.0 KW. 20.04.2022 from 5.0 KW to 6.00 KW has also been regularized in the system. On 27.10.2023 the load has been increased to 7 kw. Also applied for additional solar power capacity of 3.12 KW and a total of 6 KW solar power capacity has been provided on 23.01.2024. Further, as per para 9.1 of Tariff order no. 8/22-10-2021, a domestic service provided with Net-feed system can be migrated to Net Metering system.

6.12 The Respondent has stated that the total solar power capacity is added to the permissible grid load while SOLAR power capacity is added to consumers who are already net metering with reference to the order issued by TNERC in MPNo.32/2020 that the net-metering facility can be retained if sanctioned load not exceeded.

6.13 The Respondent has stated that the petitioner's connection number is 04-006-001-490 is not eligible under Net metering since additional power load was sanctioned 25.02.2020, 20.04.2022 and 27.10.2023 over and above the original sanction load as per TNERC Tariff Order No 8/2021 dated 2210.2021. It is therefore humbly submitted that the writ petition of the petitioner be dismissed since Solar net feed-in calculation is done in correct way.

7.0 Findings of the Electricity Ombudsman:

7.1 I have heard the arguments of both the Appellant and the Respondent. Based on the arguments and the documents submitted by them, the following are the issues to be decided.

1. What are the various regulatory instructions and guidelines provided under Tamil Nadu's solar policies and TNERC's regulations over the time for different types of consumers under various tariff categories to connect a solar panel system?
2. Is the Appellant's request to consider his commercial service connection under the net metering billing system after effecting additional demand, as was provided at the time of installing the solar system, tenable?

8.0 Findings on the first issue:

8.1 I would like to examine the regulations issued by the Tamil Nadu Electricity Regulatory Commission at different time periods to know about the net metering billing system for various consumer categories. Those rules are given below.

(i) Order No. 1 of 2013 dated 07.03.2013

Net metering

4.3.1 For Domestic Rooftop Solar generators, the consumer meters shall be replaced with suitable meter(s) for net metering. The meter/meters for net metering shall be installed by the distribution licensee at the cost of the consumer/generator. The TANGEDCO shall submit a detailed procedure covering the following issues within 30 days of issuance of this Order for implementation of net metering for domestic roof top Solar generators taking into account the CEA's regulation on Installation and Operation of Meters and get the same approved by the Commission:

- a) Standards and location of meters*
- b) Tariff for excess generation/lapsed units*
- c) Period of power credit*
- d) Any other related issue.*

(ii) Order No. 3 of 2013 dated 13.11.2013

2. Eligible consumers for Net-metering

2.1. The categories of consumers eligible for net-metering have been prescribed under Clause 15 and 22.1 of the Tamil Nadu Solar Energy Policy 2012. Such categories have not been defined in the Commission's regulations or orders. To give more clarity and for easy implementation, the categories of consumers covered under HT tariff II-A, HT tariff III, LT tariff I-A, LT tariff I-C, LT tariff II-A, LT tariff II-B

(1) and LT tariff V as specified in the Commission's retail tariff order in force are considered to be the "Eligible Consumers" for the purpose of Net-metering. Both the existing and new Solar rooftop/Solar systems which comply with this order are eligible for Net-metering.

6. Restrictions on grid penetration

6.1. At the local distribution level connectivity to rooftop solar/solar systems shall be restricted to 30% of the distribution transformer capacity on the basis of first come first served. The maximum cumulative capacity in the Distribution Licensee area shall be limited to the extent prescribed in the Tamil Nadu Solar Energy Policy 2012 and by the Renewal Purchase Obligation(RPO) specified in the Commission's Regulation on year to year basis.

(iii) Order No. 3 of 2019 dated 25-03-2019

1.0 Introduction

1.1 Commission issued a suo motu order on 'Issues related to Tamil Nadu Solar Energy Policy' vide Order No.1 of 2013 dt.07.03.2013 based on 'Tamil Nadu Solar Energy Policy 2012'. This order inter alia covered issues related to solar purchase obligation to be met by various category of consumers, its enforcement mechanism, and net metering for domestic rooftop solar generators. In the said order, Commission directed Tamil Nadu Generation and Distribution Corporation (TANGEDCO) to submit a detailed procedure on net metering covering specified issues like standards and location of meters, tariff for excess generation/lapsed units, LT connectivity etc. and to obtain approval from the Commission. The procedure submitted by TANGEDCO was hosted in the Commission's website and stakeholders comments obtained. Considering the procedure submitted by TANGEDCO and the comments from stakeholders, Commission issued Order No.3 of 2013 dt.13.11.2013 on 'Order on LT connectivity and net metering in regard to Tamil Nadu Solar Energy Policy 2012'. The order covered eligibility of consumers under net metering, commercial arrangements, metering standards and location, LT connectivity, standards, operation and maintenance of Solar Power Generators (SPGs) etc.

1.2 TANGEDCO filed a petition seeking Commission's approval inter alia praying for a revised commercial settlement mechanism. The petition was taken on file vide M.P No.9 of 2017. TANGEDCO was directed to host the petition in the website and invite stakeholders comments. Meanwhile, the Government of Tamil Nadu issued a new Tamil Nadu Solar Policy 2019 with effect from 04.02.2019. Clause 8.1.2 of this Policy prescribes a Solar net feed-in mechanism for the consumer category. The revised accounting methodology proposed by TANGEDCO in M.P No.9 of 2017 is similar to the mechanism in the Solar Policy of 2019. Based on the petition of TANGEDCO, comments received from stakeholders, reply affidavit and hearings, Commission passed orders in M.P No.9 of 2017 on 25.03.2019 for implementing the new mechanism for Rooftop Solar Generation. Consequent to the orders passed in the above petition, Commission issues this order.

2.0 Applicability :

2.1 This order on new scheme of rooftop Solar generation, namely, Solar net feed in-consumer category is applicable to all new applicants from the Eligible consumer category notified in para 3.0 of this order. The date of effect of this order is 25.03.2019, the date of passing of order by the Commission in M.P No.9 of 2017.

2.2 The existing consumers under the net metering scheme shall continue to be governed by the provisions in the Order No.3 of 2013 dt.13.11.2013.

3.0 Eligible consumers:

3.1 Consumers under Low Tension category except Hut and Agricultural category of tariff.

4.0 Permissible maximum capacity for an eligible consumer:

4.1 The maximum capacity of solar rooftop generating plant that an eligible consumer can install shall be upto 100% of his sanctioned/contracted demand with the distribution licensee.

7.0 LT connectivity

7.1 The technical standards of connectivity shall be as specified in the CEA's(Technical Standards of Connectivity for the Distributed Generation Resources) Regulations 2013 and as amended from time to time.

7.2 The maximum capacity for interconnection with the grid at a specific voltage level shall be governed by the Supply/Distribution code as amended from time to time. The interconnecting voltage levels of distributed generating sources relevant to capacity range is as follows:

Capacity	Connecting voltage
Upto 4 kW	240 V – single phase or 415 V Three phase at the option of the consumer
Above 4 kW and upto 112 kW	415 V- Three phase

8.0 Restrictions on grid penetration:

8.1 At the local distribution level, connectivity to rooftop solar systems shall be restricted to 90% of the distribution transformer capacity on the basis of first come first served. The Distribution licensee shall update the status of cumulative rooftop solar capacity connected to each Distribution transformer in their website.

(iv) M.P.No.9 of 2017

9.5.4 The Tamil Nadu Solar Policy 2019 (Solar Policy 2019) has introduced a target of 9000 MW by 2023 of which 40% is earmarked for consumer category solar energy systems. The grid feed in mechanism prescribed by the Policy - Solar energy net feed-in (consumer category) in clause 8.1.2 of the Policy is as follows:

- In this category, solar energy is used for self consumption with surplus if any being exported to the grid.
- A bidirectional service connection energy meter will be installed by the Distribution licensee to record the imported and exported energy.
- The imported energy will be debited at the applicable consumer tariff while the exported energy is credited on the basis of a consumer solar energy tariff to be determined by TNERC. Consumer will pay the difference between the debit and credit amount.

- If the cumulative credit amount exceeds the debit amount during any billing cycle, the net credit is carried over to the next billing cycle. At the end of a 12 month settlement period as may be determined by TNERC, the consumer will receive payment of net credit any available.

- For consumer category solar PV systems, the system capacity shall not exceed 100% of sanctioned load of the service connection

Maximum cumulative solar PV capacity at Distribution Transformer level to be reviewed and determined by TNERC from time to time to enable optimal solar energy penetration.

9.10.7 In view of the foregoing analysis, Commission finds merit in the plea of the licensee to change the method of accounting in net metering. The objective of the Solar Policy 2012 was that of grid parity. Rooftop Solar tariffs are moving towards grid parity. The proposal of TANGEDCO is also in tune with the Solar net feed in mechanism described in Clause 8.1.2 of revised Solar Policy 2019. Therefore, Commission accepts the request of the petitioner for change in the commercial settlement mechanism and the settlement period of 12 months incident with the financial year from April to March i.e from the 1st of April of the current year to the 31st of March of the succeeding year.

9.13 Issue No.V - Maximum capacity of rooftop solar installation in a service connection

9.13.1 The proposal of the petitioner seeks to remove the clause that fixes a cap of injection to the licensee's grid at 90% of the electricity consumption at the end of the settlement period and excess injection above the 90% cap to lapse as the revised accounting method is to purchase the energy exported at a price. As a consequence, a cap has been sought on the maximum installed capacity at 50% of contracted demand. Clause 13.1 of the Solar Policy 2019 stipulate that the system capacity at the service connection point shall not exceed 100% of the sanctioned/contracted demand of the service connection. Commission finds it appropriate to fix the system capacity limited to 100% of sanctioned load of the service connection rather than limiting the generation to 90% of consumption.

(v) M.P.No.32 of 2020

5.3. Therefore, applications for installation of additional Solar PV capacity from consumers under the net meter scheme of Order No.3 of 2013 shall be processed as per the provisions of Order No.3 of 2013 dt.13.11.2013, provided the installed solar PV capacity does not exceed the sanctioned load of the service connection. As to the grid penetration limit, Commission decides to relax the restrictions of 30% limit on DT capacity in Order No.3 of 2013 for the reason that the Distribution Licensee will have difficulties in operating the two schemes of net meter and net feed-in with different restrictions on penetration in the same DT. Therefore, the first sentence of clause 6.1 in Order No.3 of 2013 dt.13.11.2013 under '6. Restrictions on grid penetration' is amended as follows:

"6.1. At the local distribution level connectivity to rooftop solar/solar systems shall be restricted to 90% of the distribution transformer capacity on the basis of first come first served."

Notification No.TNERC/GISS Regn.23-1 / Dated 07.10.2021, (Lr. No.TNERC/ DD(L) F. Notification /D.No.708/2021)

7. Technical Requirements

7.3 The solar plant capacity shall not exceed the sanctioned load/contracted demand

7.4 The cumulative capacity of solar PV systems under net metering or net billing put together connected to a distribution transformer, shall not exceed 90% of the distribution transformer capacity;”

(vi) Generic Tariff Order for Grid Interactive PV Solar Energy Generating System (GISS) Order No. 8 of 2021 dated 22-10-2021

9. Applicability.

9.1 Net- metering : All domestic consumers are eligible for Net metering mechanism up to the level of sanctioned load/ contracted demand. Domestic consumers have an additional option of choosing the net-feed in mechanism. Domestic consumers who have been provided with the solar net-feed-in facility as per TNERC Order No.3 of 2019 shall have option to migrate to the solar energy net metering mechanism as provided for in this order to avoid discrimination within the same category of consumers.

9.2 Net billing or net feed-in: The solar energy net billing or net feed-in mechanism will be available to all electricity consumer categories (except hut and agriculture) irrespective of tariff and voltage levels up to the level of sanctioned load/contracted demand up to a maximum capacity of 999 kW.

...

9.9 Electricity consumers who have been provided with the solar net-metering facility under the Tamil Nadu Solar Energy Policy 2012 may add additional solar energy capacity and retain the solar energy net-metering facility, provided that the total solar energy capacity shall not exceed the sanctioned load of the service connection as already provided for in the Commission’s Order dated 22-12-2020 in M.P. no. 32 of 2020.

8.2 From the above orders it is seen that Order No. 1 of 2013 dated 07.03.2013 introduced net metering for domestic rooftop solar generators. This allowed domestic consumers to offset their electricity consumption by feeding any excess generated solar power back into the grid. This billing method was applicable only to domestic consumers at this stage.

8.3 Order No. 3 of 2013 dated 13.11.2013 expanded net metering eligibility to a broader range of consumer categories, including those under HT Tariff II-A, HT Tariff III, LT Tariff I-A, LT Tariff I-C, LT Tariff II-A, LT Tariff II-B (1), and LT Tariff V. Both new and existing rooftop solar systems complying with the order could now

benefit from net metering. This allowed commercial, industrial, and public lighting consumers, in addition to domestic consumers, to take advantage of net metering.

8.4 Order No. 3 of 2019 dated 25-03-2019 introduced a new billing mechanism called Solar Net Feed-in, applicable to new applicants from all consumer categories, except those in the Hut and Agricultural categories. Under this scheme, solar energy is used for self-consumption, and any surplus energy is exported to the grid and credited based on the applicable solar energy tariff. The net feed-in system applied to all new applicants under Low Tension (LT) categories, excluding Hut and Agricultural consumers. This new scheme came into effect from 25.03.2019, as per the passing of the order by the Commission in M.P. No. 9 of 2017, the existing consumers under the previous net metering scheme will continue to be governed by the provisions outlined in Order No. 3 of 2013.

8.5 In the M.P. No. 9 of 2017, the Commission approved a Solar Net Feed-in Mechanism for consumers, in line with the Tamilnadu Solar Policy 2019. Under this mechanism, a single bidirectional meter used for net billing or net feed-in at the point of supply Grid Interactive Solar PV Energy Generating Systems are valued at two different tariffs. where- (i) the monetary value of the imported energy is based on the applicable retail tariff; (ii) the monetary value of the exported solar energy is based on feed-in tariff determined by the Commission; (iii) The monetary value of the exported energy is deducted from the monetary value of the imported energy to arrive at the net amount to be billed (or credited / carried over).

8.6 In the M.P. No. 32 of 2020, the order dealt with the addition of solar PV capacity under the net metering scheme established by Order No. 3 of 2013. It was clarified that consumers could install additional solar PV capacity as long as it did not exceed the sanctioned load of the service connection. The order also amended the previous grid penetration limit, relaxing the restriction from 30% to 90% of the distribution transformer capacity, making it easier for consumers to connect additional solar generation without being constrained by transformer capacity limits.

8.7 Finally the Generic Tariff Order for Grid Interactive PV Solar Energy Generating System (GISS) Order No. 8 of 2021 dated 22-10-2021, introduces important updates regarding the eligibility and billing mechanisms for solar energy generation systems. It states that net metering is applicable to all domestic consumers up to their sanctioned load or contracted demand, providing them with the option to choose between net metering or net feed-in mechanisms. Additionally, domestic consumers who had previously been provided with the solar net feed-in facility under Order No. 3 of 2019 are now given the option to migrate to the net metering system, ensuring no discrimination among consumers within the same category.

8.8 Moreover, the order expands the availability of the net billing or net feed-in mechanism to all other consumer categories, except Hut and Agricultural consumers, regardless of their tariff or voltage levels. These consumers can install solar systems up to their sanctioned load or contracted demand, with a maximum installation capacity of 999 kW.

8.9 Across these orders, net metering was initially introduced for domestic consumers vide order no. Order No. 1 of 2013 dated 07.03.2013. Subsequently vide Order No. Order No. 3 of 2013 dated 13.11.2013 the categories of consumers eligible for net-metering was later expanded to include HT tariff II-A, HT tariff III, LT tariff I-A, LT tariff I-C, LT tariff II-A, LT tariff II-B (1) and LT tariff V. The introduction of the net feed-in mechanism in later order no.03 of 2019, dt. 25.03.2019 provided an alternative billing method for new applicants, allowing them to sell excess solar energy to the grid. Further, this Order No.03 of 2019 reiterated the existing consumers under the net metering scheme shall continue to be governed by the provisions in the Order No.3 of 2013, dt.13.11.2013.

8.10 The Generic Tariff Order No. 8 of 2021 further broadened the applicability by providing both net metering and net feed-in options to domestic and net feed-in option for other eligible consumer categories, except Hut and Agricultural, allowing for greater flexibility in how solar power generation is handled across Tamil Nadu. Further in its para 9.9 it has been categorically stated that the consumer shall

remain in net metering if the solar PV capacity is within the original sanctioned load. Hence it is noticed that from Generic Tariff Order for Grid Interactive PV Solar Energy Generating System (GISS) Order No. 8 of 2021 dated 22-10-2021 that hitherto new consumers under tariff V should be under solar net feed in scheme.

9.0 Findings on the second issue:

9.1 The appellant contends that, as per the Commission's Order dated 22-12-2020 in M.P. No. 32 of 2020, electricity consumers who have been provided with the solar net-metering facility under the Tamil Nadu Solar Energy Policy 2012 are allowed to add additional solar capacity without losing the net-metering facility, provided the total solar capacity does not exceed the sanctioned load of the service connection. The appellant argues that he is eligible for net metering under this provision and requests that his bills to be revised accordingly, and any excess amounts recovered should be refunded promptly.

9.2 The respondent argues that the petitioner, Thiru S.N. Thangaraj, who holds electricity connection number 04-008-001-490 under Tariff V, applied for a solar power connection in February 2019, and a solar power generation capacity of 2.880 kW was connected to the service. The respondent further explains that, in accordance with Order No. 3 of 2013 dated 13.11.2013, consumers under LT Tariff V, such as the petitioner, were eligible for net metering. However, due to the subsequent increase in the petitioner's power capacity from 4.72 kW to 7 kW (regularized in multiple stages between 2020 and 2023), the net metering system was shifted to the net feed-in mechanism as per TNERC Tariff Order No. 8/2021 dated 22.10.2021.

9.3 The respondent argued that the petitioner had applied for additional solar power generation capacity, increasing the solar power capacity to 6 kW on 23.01.2024. As per TNERC regulations, solar power capacity cannot exceed the sanctioned load, and any additional solar power beyond the original sanctioned capacity must follow the net-feed-in mechanism.

9.4 From the above argument it is noticed that the appellant was initially provided solar net meter for a capacity of 2.88 KW on 28.02.2019 for his commercial service 04-008-001-490 which was sanctioned with 4.72 KW. Subsequently, the appellant has got additional load to a limit of 7 KW on 27.10.2023. After obtaining the additional load sanction, the appellant got revised solar PV sanction from 2.88 KW to 6 KW on 23.01.2024. It is seen from the above that the appellant had obtained new additional load sanction upto 7 KW during 27.10.2023 and revised solar sanction into 6 KW which was effected after issuance of TNERC Tariff Order No. 8/2021, dated 22.10.2021.

9.5 Under the above circumstances, I would like to discuss the TNERC Supply Code (9) Meter Readings when there is change in sanctioned demand and TNERC Distribution Code (27) Requisitions for Supply of Energy. The relevant para is given below.

“9. Meter Readings when there is change in sanctioned demand etc.,

(1) Whenever there is change in the sanctioned demand, the change shall be effected, as far as possible, to coincide with the next meter reading. However, if it is not possible so to do, the meter shall be reset and the maximum demand charges shall be billed proportionately for the respective periods.

Revised Test Report (RTR) shall be taken incorporating all relevant details of change in demand except temporary reduction of demand. The date of RTR shall be the date of effect of change in demand.

“27. Requisitions for Supply of Energy:

(3)(i) The application form of new service connection is applicable for the additional demand also. The safety requirement and safety documents for the new service connection shall be applicable to additional demand also.”

From the co-joint reading of the above, whenever the existing consumer got revised additional load sanction the process for effecting additional load shall be followed for the new application and revised RTR to be taken. This ensures that the process for increasing load follows the same standards as a new connection, maintaining consistency in application procedures and ensuring compliance with safety regulations.

9.6 In this case though the appellant initially enjoys net metering scheme facilities but he got revised additional load sanction during 27.10.2023 which defined the

appellant as new commercial service connection category and brought him under the scope of TNERC's GISS Tariff Order No. 8/2021, dated 22.10.2021 for providing additional solar PV panel. From this order it is understood that net feed-in option alone is eligible in the case of appellant's SC.

9.7 Based on the arguments and regulations presented, it is evident that the respondent has acted in accordance with the applicable TNERC regulations. The transition from the net-metering system to the net-feed-in mechanism for the Appellant's service connection was contemplated due to recoded demand increase in solar power capacity. As per TNERC's GISS Tariff Order No. 8/2021, the net-feed-in mechanism is the appropriate billing method for solar power generation in such cases. The respondent has correctly applied the net-feed-in calculation as per the regulations, and there is no provision for the Appellant to revert to the net-metering system after the increase in original sanctioned load and revision of solar PV capacity. Therefore, the appellant's request for revising the bills under the net-metering system is not tenable.

10.0 Conclusion:

10.1 Based on my findings in the above paragraph, it is clear that the respondent's actions align with the regulatory guidelines. Hence the appellant's request to revert to the net metering system is not tenable.

10.2 With the above findings A.P.No.62 of 2024 is disposed of by the Electricity Ombudsman.

(N. Kannan)
Electricity Ombudsman

“நுகர்வோர் இல்லையேல், நிறுவனம் இல்லை”
“No Consumer, No Utility”

To

1. Thiru S.N. Thangaraju,
No.143/65, Sampath Nagar,
Erode – 638 011.

- By RPAD

2. The Executive Engineer/Urban/Erode,
Erode Electricity Distribution Circle,
TANGEDCO,
948, EVN Road, Erode-638009.

3. The Assistant Executive Engineer/West/Erode,
Erode Electricity Distribution Circle,
TANGEDCO,
948, EVN Road, Erode-638009.

4. The Assistant Engineer/ Narayanavalasu,
Erode Electricity Distribution Circle,
TANGEDCO,
Nasiyanur Main Road, Narayanavalasu,Erode-638009.

5. The Superintending Engineer,
Erode Electricity Distribution Circle,
TANGEDCO,
No.948, E.V.N. Road, Erode - 638009.

- By email

6. The Chairman & Managing Director,
TANGEDCO,
NPKRR Maaligai, 144, Anna Salai,
Chennai -600 002.

– By Email

7. The Secretary,
Tamil Nadu Electricity Regulatory Commission,
4th Floor, SIDCO Corporate Office Building,
Thiru-vi-ka Industrial Estate, Guindy,
Chennai – 600 032.

– By Email

8. The Assistant Director (Computer)
Tamil Nadu Electricity Regulatory Commission,
4th Floor, SIDCO Corporate Office Building,
Thiru-vi-ka Industrial Estate,Guindy,
Chennai – 600 032.

– **For Hosting in the TNERC Website**