



# TAMIL NADU ELECTRICITY REGULATORY COMMISSION

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To

**The Chairman cum Managing Director/TANGEDCO,**

6 th floor, TANTRANSCO Building,

144,Anna Salai,

Chennai - 600 002.

**Lr.No. /TNERC/DE/DDE2/F. GISS /D.No. 1448 /2022 dt.10-11-2022.**

Sir,

Sub.: Applicability of GISS regulation for ID Tariff - applicability of GST – Option to change from Net-Metering to Net Billing and vice versa for domestic consumer – connectivity of solar plant in HT Services – Reg.

Ref.: 1. Solar Energy Developers Association's representation dated 10.10.22 (Handed over to Hon'ble chairman on 12.10.22).

2. Oswin & Jacob Techno Legal Advisor's Association's representation dated:31.10.2022

3. Lr.No.CE/NCES/SE/Solar/EE/Solar Project/F-GISS/D.199/2022, dt:03.10.22

4. Lr.No, TNERC/DT/DDT1/F.Field visit/D.650/2022, Dt:24.05.2022

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Referring to the above, I am directed to state the following:

It has been represented by the consumers association/ consumers that the solar net metering mechanism is not allowed for the common facilities of domestic category now categorized under ID in the recent Tariff Order No.7 dt.09.09.2022. The GISS regulation 2021 of TNERC specifies applicability of net metering for all domestic categories. As both IA and ID tariff represent usage relating to domestic category and the purpose of specifying the applicability to tariff IA by the GISS Regulation is equally applicable to ID, it is made clear that the Net-Metering is applicable for both IA and ID tariff categories. The request of the consumers to install solar plants with Net-Metering in tariff ID shall be complied with. Necessary online facilities for application to Net-Metering for ID tariff shall be made. The plants already connected in tariff IA and now converted to ID shall continue to be allowed to be billed under Net-Metering mechanism. It is the option to choose either Net-Metering or Net-Feed-in mechanism by the consumers of both IA and ID tariff. Whenever they request to interchange between these two options, the same shall be complied with.

2) Representations and reports from media keep pouring that the IA services with same consumer's name are converted to tariff ID without physical inspection and compliance of the condition stipulated in the Tariff order.

The field engineers and staff need to be clearly instructed that the tariff from IA to ID shall be converted only after physical verification by site inspection and only if more than one service are used for the same family as per conditions stipulated in the Tariff order.

If the Consumer desires to merge the common service load with existing IA and surrender the existing common service by disconnecting the existing common service, the same shall be complied, without refusal.

3) It has also been represented that TANGEDCO has made provision for on line conversion of category for the solar plant of domestic category only from 'Net-Feed in' mechanism to 'Net-Metering' mechanism, but not from 'Net-Metering' to 'Net Feed in mechanism'. TNERC has provisioned both Net metering and Net feed in mechanism from domestic consumers according to their option vide Regulation 4.2 of the GISS Regulation 2021 as reproduced below:

*“4.2 Net-Metering: All domestic consumers are eligible for Net metering mechanism up to the level of sanctioned load/ contracted demand of their service connection irrespective of voltage level;*

*(i) Domestic consumers have an additional option of choosing the net-feed in Mechanism;*

*(ii) Domestic consumers who have been provided with the solar net-feed in facility shall have option to migrate to the solar net-metering mechanism; “*

Therefore the option of consumer to interchange between the above two mechanisms shall be allowed whenever such interchange is requested by the domestic consumers. In both mechanisms, the net amount shall be arrived after accounting the network charges, applicable.

Also, the online application facility for conversion of mechanism both from Net-metering to Net-feed in and Net-feed in to Net-metering as per option of the domestic consumer of both tariffs IA and ID in compliance of the Regulation shall be made.

The adjustment of the units and credit amount for Net-Metering and Net-Billing respectively shall be done as per clause 11.1.5 and 11.2.5 of Order No.8 of 2021 dt:22.10.21, at the end of settlement period irrespective of above change of categories during settlement period.

Clear instruction to section level shall be communicated forthwith, in this regard to avoid consumer complaints.

4) It is seen from the report of the CE/NCES/TANGEDCO vide reference 3<sup>rd</sup> cited that TANGEDCO has not yet installed Generation meter for the services of more than 10kW as stipulated in the following GISS regulations:

*“ 5.5. For existing consumers of more than 10 KW the Licensee shall issue notice to consumer to install the generation meter of required capacity, facility and specification. Till the meter is installed the generation shall be assessed based on CUF for the purpose of collecting network charges and RPO. For new applicants of more than 10KW, the generation meter with demand recording facility shall be installed at the cost of the applicant as a part of GISS system. For Gross generation metering , a four quadrant TOD meter with AMR facility shall be installed at the cost of the applicant . The rating and specification of the generation meter shall be communicated to the applicant by the Licensee along with the sanction/ approval of the load/connectivity; “*

*“12.5 Where ever separate meter measuring the gross solar generation is not available at present in existing grid connected solar system of more than 10KW, Licensee shall take prompt action to install them as mandated.”*

It has already been directed by the Commission that generation meter in all cases of more than 10kW of existing services shall be installed by TANGEDCO and assess the generated units from this meter for levying network charges instead of computing the generated units theoretically at 21% CUF.

However TANGEDCO has not installed the generation meters as directed, but only computing the generated units theoretically at 21% CUF. This has resulted in continuous representations from the consumers and unnecessary litigation. Hence, the generation meters may be arranged to be installed early for services of above 10kW.

For cases of less than 10kW, invertors reading shall be taken for computing net work charges.

4.2 Further, it is seen from the calculation sheet enclosed with the report of CE/NCES that TANGEDCO is levying 9% SGST Plus 9% CGST on network charges, despite the fact that network charges is one of the component of tariff for supply of electricity as per regulation 68 of the terms and conditions for determination of Tariff Regulations 2005, reproduced below:

*“68. Component of tariff for supply of electricity*

*(1) The charges for the electricity supplied by the Distribution Licensee may include.*

*(a) a fixed charges/ Demand charges*

*(b) Charges for actual electricity supplied*

*(c) a rent or other charges in respect of meter or electrical plant provided by the Distribution Licensee.*

*(d) a wheeling charges/ Network charges.*

*(2) XXXX*

*(3) XXXX*

It is directed to get the required clarification from the department concerned in this regard on the applicability of the taxes.

**5)** It is gathered that in cases of HT services where the solar plant is installed in the LT system of the service, the bidirectional meter is not installed in the HT side, which does not comply following sub regulation 5.6 of the GISS Regulation 2021:

*“5.6 HT (11 kV and above) Consumers may install and connect Renewable Energy Generating System at their LT Bus Bar System;*

*Provided that, in such cases, the bi-directional Meter shall be installed on the HT side of the Consumer’s Transformer; “*

Non-provision of bidirectional meter means non assessment of export energy and resultant error in billing mechanism. This ultimately results in revenue leakage and loss. Similarly non provision of generation meter and non assessment of generated units would deprive the net work charges.

It is directed that in all cases of above category, the generation meter and bi-directional meter shall be installed, assigning the due meter Ids in the computer system and assessment / billing made in compliance of GISS Regulation. If any solar unit is in operation without connectivity approval of the Licensee, action as per sub-regulation 8.5 of GISS Regulation 2021, shall be taken.

6) It is also represented that “estimate” charges are demanded along with Registration charges for additional loads of Roof top solar plants.

For additional load of the solar plants, only the Registration charges specified in the GISS regulation and relevant miscellaneous charges specified in the Tariff Order, if any, shall be collected. No other charges are applicable. The software is to be checked and rectified to avoid consumer compliance in this regard.

7) In addition to the above, TANGEDCO is directed to furnish its compliance on the directions issued under Para 12.4, 12.5, 13.5, 13.6 of the GISS T.O.No.8 of 2021, Dt: 22.10.2021.



Secretary,  
Tamil Nadu Electricity Regulatory Commission.

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