

**TAMIL NADU ELECTRICITY REGULATORY COMMISSION**

**Revised Draft Proceedings No. \_\_\_\_\_ dt. .12.2019**

(Comments/suggestions are invited on or before 23.12.2019)

Sub.: Procedure for verification of Captive Generating Plant(CGP) status in accordance to requirements in Rule 3 of Electricity Rules 2005 read with provisions of the Electricity Act 2003–Reg.

Ref.:1. Notification of Ministry of Power, Govt. of India vide G.S.R. 379 (E) dt.08.06.2005.

2. Direction in judgment delivered by Hon'ble High Court of Madras, Madurai Bench in W.A(M.D) Nos.930 & 931 of 2017, dt.09.10.2018 and in CMP No.(MD) No.5958 of 2019 & 5959 of 2019 in W.A No.930 & 931 of 2019 on 17.9.2019.

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**1)** The Hon'ble High Court, Madras – Madurai Bench in the judgment delivered in the Writ Appeal Nos. 930 & 931 of 2017 dt.09.10.2018, on the issue of verification of captive status of Captive Generating Plants(CGPs) and Captive users, filed by the Distribution Licensee, TANGEDCO, has issued following directions to the Commission:

“2... to issue either a general or specific order detailing the procedure to be followed for verification of the CGP status either by directing or giving liberty to the appellants to verify the captive status of the Generating companies.”

**2) (i)** In pursuance of the above judgment, Commission called for records of instructions pertaining to verification of captive status of power plants issued by TANGEDCO to the field officers.

**(ii)** In compliance with the directions of the Hon'ble High Court of Madras-Madurai Bench, Commission hosted a draft procedure for verification of consumption by captive users and status of CGP by the Distribution Licensee.

**(iii)** The Tamil Nadu Association of Spinning Mills filed a contempt petition No. CMP No.442 of 2019 before the Hon'ble Madurai Bench of Madras High Court objecting to the hosting of the Draft procedure for verification of CGP status in the Commission's website without taking up the matter for adjudication. In yet another clarificatory petition filed by the Distribution Licensee, TANGEDCO, in CMP No.(MD) No.5958 of 2019 & 5959 of 2019, the Hon'ble High Court of Madras in the order dt.17.9.2019 has issued directions to the Commission to grant a personal hearing to the petitioners before finalizing the draft procedure. Following the direction issued in the clarificatory petition filed by TANGEDCO, the contempt petition has been withdrawn by the petitioners.

**(iv)** The petitioners, subsequently, have represented to host a revised draft of the Procedure for verification of captive status of CGPs by considering the comments furnished by the stakeholders to the draft procedure uploaded in the Commission's website on 27.02.2019. There are no directions from the Court to

this effect. To simplify the process and provide another opportunity to the stakeholders to offer views afresh, Commission issues this revised Procedure for verification of status of CGP/captive users by the Distribution Licensee.

### **3. Scope**

**3.1** This procedure is applicable to all power plants that generate power for captive consumption, and to its captive users.

### **4. Statutory provisions**

**4.1** The Electricity Rules 2005 notified vide Notification No. G.S.R 379(E) dt.8.6.2005 lays down the following requirements for a Captive Generating Plant:

#### ***“3. Requirements of Captive Generating Plant.***

*(1) No power plant shall qualify as a ‘captive generating plant’ under section 9 read with clause (8) of section 2 of the Act unless*

*(a) in case of a power plant*

*(i) not less than twenty six percent of the ownership is held by the captive user(s), and*

*(ii) not less than fifty one percent of the aggregate electricity generated in such plant, determined on an annual basis, is consumed for the captive use:*

*Provided that in case of power plant set up by registered cooperative society, the conditions mentioned under paragraphs at (i) and (ii) above shall be satisfied collectively by the members of the cooperative society:*

*Provided further that in case of association of persons, the captive user(s) shall hold not less than twenty six percent of the ownership of the plant in aggregate and such captive*

*user(s) shall consume not less than fifty one percent of the electricity generated, determined on an annual basis, in proportion to their shares in ownership of the power plant within a variation not exceeding ten percent;*

*(b) in case of a generating station owned by a company formed as special purpose vehicle for such generating station, a unit or units of such generating station identified for captive use and not the entire generating station satisfy (s) the conditions contained in paragraphs (i) and (ii) of sub-clause (a) above including-*

*Explanation :*

*(1) The electricity required to be consumed by captive users shall be determined with reference to such generating unit or units in aggregate identified for captive use and not with reference to generating station as a whole; and*

*(2) the equity shares to be held by the captive user(s) in the generating station shall not be less than twenty six per cent of the proportionate of the equity of the company related to the generating unit or units identified as the captive generating plant.*

*Illustration: In a generating station with two units of 50 MW each namely Units A and B, one unit of 50 MW namely Unit A may be identified as the Captive Generating Plant. The captive users shall hold not less than thirteen percent of the equity shares in the company (being the twenty six percent proportionate to Unit A of 50 MW) and not less than fifty one percent of the electricity generated in Unit A determined on an annual basis is to be consumed by the captive users.*

*(2) It shall be the obligation of the captive users to ensure that the consumption by the Captive Users at the percentages mentioned in sub-clauses (a) and (b) of sub-rule (1) above is maintained and in case the minimum percentage of captive use is not complied*

*with in any year, the entire electricity generated shall be treated as if it is a supply of electricity by a generating company.*

*Explanation.- (1) For the purpose of this rule.*

*a. "Annual Basis" shall be determined based on a financial year;*

*b. "Captive User" shall mean the end user of the electricity generated in a Captive Generating Plant and the term "Captive Use" shall be construed accordingly;*

*c. "Ownership" in relation to a generating station or power plant set up by a company or any other body corporate shall mean the equity share capital with voting rights. In other cases ownership shall mean proprietary interest and control over the generating station or power plant;*

*d. "Special Purpose Vehicle" shall mean a legal entity owning, operating and maintaining a generating station and with no other business or activity to be engaged in by the legal entity."*

**4.2** The provisions in the Electricity Act, 2003 that relate to Captive Generation and the definitions of generating company, generating station are reproduced for ease of reference and understanding:

Section 2(8):

*"Captive generating plant" means a power plant set up by any person to generate electricity primarily for his own use and includes a power plant set up by any co-operative society or association of persons for generating electricity primarily for use of members of such co- operative society or association;"*

Section 2 (28):

*"generating company" means any company or body corporate or association or body of individuals, whether incorporated or not, or artificial juridical person, which owns or operates or maintains a generating station;"*

Section 2 (30):

*“Generating station” or “station” means any station for generating electricity, including any building and plant with step-up transformer, switch-gear, switch-yard, cables or other appurtenant equipment, if any, used for that purpose and the site thereof; a site intended to be used for a generating station, and any building used for housing the operating staff of a generating station, and where electricity is generated by water-power, includes penstocks, head and tail works, main and regulating reservoirs, dams and other hydraulic works, but does not in any case include any sub-station .”*

Section 9: Captive Generation-

*“(1) Notwithstanding anything contained in this Act, a person may construct, maintain or operate captive generating plant and dedicated transmission lines:*

*Provided that the supply of electricity from the captive generating plant through the grid shall be regulated in the same manner as the generating station of a generating company:*

*Provided further that no license shall be required under this Act for supply of electricity generated from a captive generating plant to any licensee in accordance with the provisions of this Act and the rules and regulations made thereunder and to any consumer subject to the regulations made under sub-section (2) of Section 42.*

*(2) Every person, who has constructed a captive generating plant and maintains and operates such plant, shall have the right to open access for the purposes of carrying electricity from his captive generating plant to the destination of his use:*

*Provided that such open access shall be subject to availability of adequate transmission facility and such availability of transmission facility shall be determined by the Central Transmission Utility or the State Transmission Utility, as the case may be:*

*Provided further that any dispute regarding the availability of transmission facility shall be adjudicated upon by the Appropriate Commission.”*

**4.3** A CGP is required to meet the provisions in the Act, 2003 and the Rule 3 of Electricity Rules 2005.

**4.4.** A power plant to qualify as a Captive Generating plant has to satisfy the following two basic conditions:

**(i)** the captive user(s) consuming the power generated from the captive generating plant for captive use must necessarily hold not less than 26% of the ownership in the captive generating plant; and

**(ii)** not less than 51% of the aggregate electricity generated in such plant, determined on annual basis, should be consumed for the captive use.

**4.5** The provisos under Rule 3(1) (a) provide certain exceptions and conditions that :

(i) in case of a power plant set up by registered Cooperative Society, the conditions in sub clauses (i) and (ii) of clause (a) of sub rule (1) of Rule 3 shall be satisfied collectively by the members of the Cooperative Society, and

(ii) in case of Association of Persons, the captive user(s) shall hold not less than 26% ownership of the plant in aggregate and such captive user(s) shall consume not less than 51% of electricity generated, determined on an annual basis, in proportion to their shares in ownership of the power plant within a variation not exceeding 10%.

**4.6** In case of a generating station owned by a company formed as a Special Purpose Vehicle specified in clause(b) of sub-rule(1) of Rule 3, the units identified for captive use(as CGP) shall satisfy conditions in sub clauses (i) and (ii) of clause(a) of sub rule 1 of Rule 3, and the electricity required to be consumed by captive users shall be confined to the units in aggregate identified for captive use. The equity share capital with voting rights of not less than 26% to be held by the captive user(s) shall be proportionate to the equity of the company related to generating unit(s) identified as the CGP.

**4.7** As per the explanation to the Rule 3, 'ownership' in relation to a generating station or power plant means 'Ownership' as having 'equity share capital with voting rights' in relation to a generating station or power plant set up by a company or any other body corporate, and in other cases means 'proprietary interest and control over the generating station or power plant'

**4.8** The captive users have the obligation to ensure consumption at the percentages mentioned in sub-clauses (a) & (b) of Rule 3(1) of the Electricity Rules 2005. Failure to comply with minimum percentage of captive use in a year will entail in the CGP losing its captive status and the entire electricity generated from the CGP will be treated as supply of electricity by a generating company.

**5.0** In order to ensure the compliance of requirements of Rule 3 of Electricity Rules 2005, directions are issued in the following paragraphs for verification of captive status of CGPs and captive users.



## **6) Procedure for verification of Captive Generating Plant status**

### **6.1 Ownership of the CGP**

**6.1.1** The criteria of 'Ownership' in Rule 3 has to be satisfied by the CGP throughout the financial year. Verification of 'Ownership' shall be done by the Distribution Licensee(hereafter 'Licensee') before the commencement of captive use of generation at the beginning of the financial year/ at any time of the financial year.

**6.1.2** In the context of complying with the statutory provisions contained in the Electricity Rules 2005, the authorised signatory of the CGP shall identify the category of ownership of CGP before seeking permission for wheeling under captive category and furnish proof of documents for 'Ownership'. In the case of SPV under Rule 3(1)(b), details with respect to the unit(s) identified for captive use shall also be furnished before seeking wheeling under captive category.

**6.1.3** The CGP status verification is an annual verification process. Documents in support of 'ownership' have to be furnished for the annual verification process at the end of the financial year. Proof of ownership shall be provided at the beginning of each financial year also i.e within 10 days from 1<sup>st</sup> of April.

**6.1.4** The documents to be submitted for different forms of entities are enlisted below:

#### **i. Where the generating plant is a Company under the Companies Act**

1. A certificate issued by the Statutory Auditor who files the annual return of the Company providing details of Total equity, Authorised, Issued, Subscribed and

Paid up equity share capital with voting rights of the generators and that of the captive users as per FORMAT I.

2. Certified copy of MoA/AoA and its amendments issued from time to time.
3. Relevant extract of Latest Annual Return - MGT 7 showing shareholding details filed by the generators/captive users with the Registrar of Companies. (To be furnished by the end of November for the purpose of cross verification)
4. A certificate regarding holding of Equity Share Capital with voting rights in the Captive Generating Company by the captive user duly certified by the Statutory Auditor as per FORMAT II.
5. A copy of the Board Resolution authorizing the signatory of the Company. The authorized signatory of the Company shall be the Managing Director or Whole Time Director or Company Secretary or any other officer approved by the Board
6. The authorized signatory shall furnish the documents in (1) to (5) above.
7. Any change in the authorized signatory and revocation for approval for captive generation by the Board by way of amendment to MoA or AoA shall be duly intimated within 7 days from the date of such change to the Licensee.

**ii. Where the generating company is a Partnership firm/LLP**

1. A certificate issued by the Firm's Statutory Auditor who files annual financial statement showing breakup details of total capital of the Firm, the capital held by the captive users, the percentage of proprietary interest and control over the generating plant by the captive users in the Format –III.

2. A certificate regarding extent of 'Ownership' in the Captive Generating Company by the captive user duly certified by the Statutory Auditor in FORMAT IV.
3. Relevant extract of Latest Annual Financial Statement of Accounts/annual return of the Generating firm and the Captive User showing details of ownership. (To be furnished by the end of November for the purpose of cross verification)
4. A copy of the agreement/nomination by all partners in a Partnership/ members in an LLP authorizing the signatory of the Partnership Firm/LLP.
5. A certified copy of the Partnership deed/agreement for a Partnership Firm/LLP along with Form A issued by the Registrar of Firms for a Partnership firm and by the ROC in case of LLP and its amendments issued from time to time.
6. The authorized signatory of the Partnership Firm/LLP shall furnish the documents in (1) to (5) above.
7. Any change in the authorized signatory shall be informed within 7 days from the date of such change to the Licensee.

**iii. Where the generating plant is owned by Association of persons(AoP)**

Copy of the Business agreement that details the shareholding of persons as members of the AoP certified by the AoP's Statutory Auditor furnished by the Authorised signatory of the AoP with certified copy of such nomination of the signatory. Any change in the authorized signatory shall be informed within 7 days from the date of such change to the Licensee.

**iv. Where the generating plant is owned by Special Purpose Vehicle (SPV) :**

1. Documents as in (i), (ii) and (iii) above depending on whether the SPV is a Company/Partnership/LLP/AoP.

**v. Where the generating plant is owned by Cooperative society**

1. A certificate by the Statutory Auditor showing detailed breakup of the Issued, Subscribed and Paid up Equity Share Capital of the Generators and the details of holding of Equity Share Capital with voting rights by the Captive users as per FORMAT-I.

2. Copy of byelaws of society and its amendments issued from time to time.

3. Relevant extract of Latest Annual Report of the Generators showing details of share capital.

4. A copy of the Resolution passed by the General Body authorizing the Managing Director or Whole Time Director or Company Secretary or the Chief Executive of the Co-operative Society as the authorized signatory with attested signature of such signatory.

5. The authorized signatory shall furnish documents mentioned in Sl.No.1 to 4 of this clause through a letter.

6. Any change in the authorized signatory shall be informed within 7 days from the date of such change to the Licensee.

## **6.1.5 Documents to be furnished for obtaining approval for captive wheeling**

6.1.5.1 The authorized signatory shall furnish documents in support of ownership structure/shareholding pattern of the CGP, as specified above in para 6.1.4 prior to seeking approval for wheeling under captive category. The report of satisfactory verification of documents or otherwise shall be intimated by the licensee within seven days of receipt of the same. Approval for wheeling under captive category shall be granted upon fulfillment of criteria of 'ownership' based on the documents furnished in support of the same. The ownership details have to be provided by the CGP that supplies to the captive user co-located in its premises also before the commencement of such supply. It shall be the duty of the authorized signatory of the CGP to intimate any change in ownership/shareholding pattern of the CGP and obtain approval for open access under the captive category furnishing supportive documents as prescribed in this procedure.

## **6.2 Verification of qualification of CGP under Rule 3(1)**

6.2.1 The captive users shall be required to identify the unit/units intended for captive consumption at the time of applying for wheeling under captive category.

6.2.2 The CGP users /owners shall ensure that at any point of time in a financial year not less than twenty six per cent of the ownership in the generating plant/station or the units identified for captive use, as the case maybe, is held by the captive users.

**6.2.3** If there is one captive user, the user shall hold minimum 26% of the equity share capital with voting rights throughout the year and shall consume not less than 51% of the electricity generated on an annual basis for captive use. In case of AoP or two or more captive users, the captive users shall hold in aggregate not less than 26% of the equity share capital with voting rights throughout the year and consume not less than 51% of the electricity generated on annual basis for captive use in proportion to their share of the power plant within the variation not exceeding 10%.

**6.2.4** In the case of Cooperative Society, members of society shall collectively satisfy 26% of the ownership and consume not less than 51% of the electricity generated on annual basis on captive basis. In the case of Partnership firm/LLP, ownership shall be with respect to not less than 26% proprietary interest and control over the generating station or power plant and the consumption shall be not less than 51% of the energy generated on annual basis.

**6.2.5** In the case of CGPs identified for captive use as under clause (b) of sub rule (1) of Rule 3 in a generating station owned by a Company which is formed as a Special Purpose Vehicle and has multiple generating units, the captive user(s) shall hold in aggregate not less than 26% of the equity share capital with voting rights throughout the year and shall consume not less than 51% of the electricity generated on annual basis in proportion to their shares in the units

identified for captive use and not with reference to the generating station/company, as a whole.

### **6.3 Verification of consumption by captive users**

**6.3.1** Verification of criteria of consumption shall be on the aggregate energy generated from the generating unit(s) in a generating station i.e gross energy generated less aggregate auxiliary consumption. The quantum of auxiliary consumption shall be the metered auxiliary consumption or the normative auxiliary consumption whichever is less. The captive consumption (the captive user) may be within the premises where the CGP is located or at a different location. In the absence of measured data on auxiliary consumption, until metering as prescribed in para 6.6.1 of this procedure is completed, the normative auxiliary consumption specified in the Regulations of the Commission may be considered for the purpose of CGP verification status. Where banking charges are levied, the same shall be deducted from the aggregate generation.

**6.3.2** As per the explanation to Rule 3, 'annual basis' refers to determination in a financial year. For determination of captive status on an annual basis, for the first year, the date of grant of open access shall be considered as the start date for the Financial Year(FY). For the subsequent years, generation from 1<sup>st</sup> April to 31<sup>st</sup> March of a FY shall be considered for determining captive status. Where the shareholding pattern/ownership is maintained throughout the financial year, verification of consumption criteria of not less than 51% of aggregate electricity

generated and the test of proportional consumption shall be for the financial year. In cases where the shareholding pattern has changed within a financial year, verification of consumption criteria shall be made on the energy generated and consumed in the corresponding period in proportion to the shares.

### **6.3.3 Calculation of Aggregate Generation**

For verification of CGP status, the Aggregate Generation for each Generating Plant/Unit identified (in the case of SPV) for captive use on Annual basis shall be calculated as follows:

Aggregate generation = Total generation of the Financial year (-) Auxiliary consumption (if any) (-) banking charges(where applicable)

### **6.4 Ceasing of Qualification of CGP**

6.4.1 If the conditions of criteria of ownership and consumption under Rule 3 stated in para 6.1,6.2, 6.3 are not met by the CGPs in a financial year, the generating plant will cease to be a Captive Generating Plant and the users will cease to be captive users and further liable to pay Cross Subsidy Surcharge.

### **6.6 Methodology of verification of criteria of consumption annually in a financial year:**

6.6.1 Verification of compliance of consumption criteria of not less than 51% within a variation not exceeding 10% in proportion to the share of ownership of a captive user requires proper accounting of generation, auxiliary consumption and



consumption by captive users. It is the responsibility of the licensee to ensure that Special Energy Meters(SEM) as provided in the CEA's Installation and Operation of Meters Regulations 2006 amended from time to time are installed in generating stations. Specification for providing meters for HT open access consumers have been approved by the Commission in M.P No.18 of 2012 and M.P 34 of 2014 and TANGEDCO has informed compliance of installation of ABT meters. The generators may provide the monthly data/quarterly data of recorded generation, auxiliary consumption to the licensee. The generators shall also inform outages of the units indicating period of outage. The practice adopted by TANGEDCO in the case of HT open access consumers for meter reading, downloading data of consumption may be followed. The Special Energy Meters may be tested periodically as per prescribed testing procedures.

**6.6.2** Until a metering, communication system as stated in para 6.6.1 is completely installed, the licensee may conduct verification based on details furnished by the generators in the prescribed formats and the data available with them.

**6.6.3** The licensee may also create a web portal for login of data by generators providing an ID to each CPP and captive user. This may help in monitoring changes in shareholding pattern etc. and verification of data.

**6.6.4** By 15<sup>th</sup> of April, the generators shall furnish relevant data of generation, auxiliary consumption, consumption of captive users for each month of the

preceding financial year in excel format as per Format V annexed, in hard and soft copies. The generators shall furnish details of equity share capital with voting rights held by each captive user, and compliance under Rule 3 as per format enclosed. Documents to be furnished for annual verification of captive status are as follows:

1. Documents stated in para 6.1.4
2. Statement in Format V (A and B) annexed to this procedure

**6.6.5** The licensee may conduct cross verification of data furnished with the available downloaded data from the meter terminals of captive generators and their captive users. With respect to the documents of ownership/shareholding also, the License may conduct cross verification from the data available in the Public domain of Registrar of Companies, Registrar of Firms etc.

**6.6.6** Based on conditions stipulated in this procedure, the licensee shall determine the captive status of CGP and captive users, and shall intimate fulfillment of condition in regard to the captive status or otherwise to the CGPs/captive users by 30<sup>th</sup> May. Where the conditions of captive status have not been fulfilled, the licensee shall intimate the user's liability on dues, provisionally, to be remitted on account of losing the captive status.

**6.6.7** Within 15 days from the date of receipt of intimation on disqualification of the captive status, the captive generators/users shall inform i) their concurrence

to such disqualification and their response thereto or ii) their objection to such disqualification and consequential dues to be remitted.

**6.6.8** In the case of captive generators/users acceptance to the disqualifications as well as on the dues to be remitted, the licensee shall raise a fresh demand within 15 days of receipt of such concurrence.

**6.6.9** In cases where the captive users/CGPs offer explanation/clarification and the Licensee finds the explanation satisfactory, the licensee may re-determine the status as per Rule 3 and accordingly act on withdrawal of claims made. Where, the Licensee is not satisfied with the explanations offered by the CGP/captive users and is convinced that action has to be pursued for disqualification of the CGP or to raise the demand towards payment of cross subsidy surcharges, such cases may be brought before the Commission for adjudication.

**6.6.9** All cases of disputes on the determination of CGP status by the Licensee shall be referred to the Commission by the Licensee by filing a petition (Miscellaneous petition in view of the directions of the Hon'ble High Court of Madras in the W.A No.930 & 931 dt. 9.10.2018 which otherwise would have been in the form of DRP under section 86(1)(f) and the Commission's Fees and Fines regulations, to be filed by the affected parties) before the Commission for adjudication and till such time no distraint proceedings or coercive action shall be taken. Upon filing of such Petition, the Commission shall decide the issue after

giving opportunities to both parties, as soon as possible, but not later than six months from the date of filing of such petition.

**7.0** Failure to furnish data, documents for the purpose of annual verification within the time frame affixed in this procedure for verification of CGP status would empower the Licensee to determine the status of the plant with the available data with the Licensee.

(By order of Tamil Nadu Electricity Regulatory Commission)

(S.Chinnarajalu)  
Secretary  
Tamil Nadu Electricity Regulatory Commission



Table B

Break up of Captive user holding in Equity Share Capital with Voting rights as on .....								
S. No.	Class of share holder	No. of Equity Share	Value per Equity Share	Amount of Equity Share Capital	Percentage holding in Equity Share Capital	No. of Voting rights	Percentage holding in voting rights	Percentage holding in Equity Share Capital with voting rights
1	Captive User							
2	Others							
Total								

Signature of Auditor

Name in Block letters

Name of firm

Place:

Date :

## FORMAT –II

**[To be submitted by the Captive users (also the owners) who are Corporate Bodies]**

### Auditor's Certificate

I hereby certify that **Captive User Name**, a company incorporated under Companies Act 2013 (or under the erstwhile Act) and having its registered office at \_\_\_\_\_ with HT. SC.No.\_\_\_\_\_ at \_\_\_\_\_ EDC is holding \_\_\_\_\_ number of Equity Shares of Rs.\_\_\_\_\_ each amounting to Rs.\_\_\_\_\_ as Equity Share Capital and with \_\_\_\_\_ voting rights per Equity Share in **Captive Power Generator Company Name** which owns a Generating Plant with a Capacity\_\_\_\_\_ **under** HT.SC.No.\_\_\_\_\_ at \_\_\_\_\_ EDC as on date.

Please find attached the following:

Annexure 1. Certificates as per para 6.1.4 of procedure.

Signature

Name in Block letters

Membership No.

**FORMAT-III**

**[To be submitted by THE GENERATOR WHICH IS A FIRM]**

**CERTIFICATE ON 'OWNERSHIP' AS PER RULE 3 OF ELECTRICITY RULES,  
2005 FOR WHEELING UNDER CAPTIVE CATEGORY**

We hereby certify that M/s. \_\_\_\_\_, a Partnership Firm having its registered office at \_\_\_\_\_ satisfy the requirements under Rule 3 of Electricity Rules 2005 for qualifying as a Captive Generation Plant with reference to "Ownership" criteria as per the Partnership Deed dated \_\_\_\_\_ with reference to HT.SC No. \_\_\_\_\_ of \_\_\_\_\_ E.D.C. We confirm that the captive consumers are holding proprietary interests and control over the Captive Generation Plant.

The detailed breakup of the ownership of each partner in the Partnership Firm has been tabulated below in Table A. Further, specific breakup of the proprietary interest and control in relation to Captive Generation Plant held by captive user vis-à-vis other users has been tabulated below in Table B.

**TABLE A:**

Ownership of the Captive Generation Plant of the Partnership Firm as on .....						
S.No	Name of the partner	Capital contribution	% of capital contribution	Profit sharing Ratio	Whether Control Proportionate to Capital Contribution?	Remarks on control pattern*
TOTAL						

\* Please provide remarks in the relevant column whether control is proportionate to the capital contribution. Further annex the Partnership Deed of the verification of above details.

Contd.



**TABLE B:**

Ownership of the Captive Generation Plant of the Partnership Firm as on .....						
Type of Owner			% of proprietary interest in the Captive Generating Plant	Whether Control Proportionate to Proprietary interest?	Remarks on control pattern*	
Captive User	HT. SC.NO	EDC				
Others						
TOTAL						

\* Please provide remarks in the relevant column whether control is proportionate to the Proprietary interest, with specific reasons as to how the ownership threshold under Rule 3 of the Electricity Rules 2005 is being satisfied.

Signature of Auditor

NAME in Block letters

Place :

Date:

Membership Number:\_\_\_\_\_

## FORMAT-IV

[To be submitted by the Captive users (also owners) of the Partnership Firm]

### Auditor's Certificate

I hereby certify that **Captive User Name**, and having its registered office at \_\_\_\_\_ with HT. SC.No. \_\_\_\_\_ at \_\_\_\_\_ EDC is a partner/member with capital contribution of Rs. \_\_\_\_\_ with controlling interest of \_\_\_\_\_ percentage in **Captive Power Generator Firm Name** which owns a Generating Plant with Capacity \_\_\_\_\_ under HT.SC. No. \_\_\_\_\_ at \_\_\_\_\_ EDC as on date.

Please find attached the following:

Annexure 1. Certificates as per para 6.1.4 of Procedure.

Signature:

Name in Block letters:

Membership No.

**FORMAT V - A**

<b>Sl.No.</b>	<b>Particulars</b>	<b>Energy in Units</b>
1	Total Generated units of a generating plant / Station identified for captive use	-
2	Less : Auxiliary Consumption in the above in units	-
3	Net units available for captive consumption (Aggregate generation for captive use)	-
4	51% of aggregate generation available for captive consumption in units	-
5	Actual Adjusted / Consumed units by the captive users	-
6	Percentage of actual adjusted/consumed units by the captive users with respect to aggregate generation for captive use (Sl.No.5 divided by Sl.No.3)	-

If Sl.No.6 is Not Less than 51%, then go to FORMAT V - B.

