

**TAMIL NADU ELECTRICITY REGULATORY COMMISSION**  
**(Constituted under section 82 (1) of the Electricity Act, 2003)**  
**(Central Act 36 of 2003)**

**PRESENT:**

Thiru M.Chandrasekar	.... Chairman
Dr.T.Prabhakara Rao	.... Member
and	
Thiru K.Venkatasamy	.... Member (Legal)

**M.P.No.10 of 2020**

M/s. Leshark Global LLP  
10/685 to 692, Opp. Park School  
Chinnakarai, Karaipudur Village  
Palladam Taluk  
Tirupur District – 641 605  
Represented by its Authorized Signatory

... Petitioner  
(Thiru S.P.Parthasarathy  
Advocate for Petitioner)

**Versus**

1. The Chairman  
Tamil Nadu Generation and Distribution  
Corporation Limited (TANGEDCO)  
10<sup>th</sup> Floor, 144, Anna Salai  
Chennai – 600 002.
2. The Chief Engineer – NCES  
TANGEDCO, 2<sup>nd</sup> Floor  
144, Anna Salai  
Chennai – 600 002.

..... Respondents  
(Thiru M.Gopinathan  
Standing Counsel for TANGEDCO)

**Dates of hearing** : 02-06-2020; 14-07-2020; 28-07-2020;  
18-08-2020; 15-09-2020; 06-10-2020  
and 13-10-2020

**Date of Order** : 09-11-2020

The M.P.No.10 of 2020 came up for final hearing before the Commission on 13-10-2020 and the Commission upon perusing the petition and connected records and after hearing the submissions of both sides passes the following:-

### **ORDER**

#### **1. Prayer of the Petitioner in M.P. No.10 of 2020:-**

The prayer of the Petitioner in M.P. No.10 of 2020 is to punish the 1<sup>st</sup> and 2<sup>nd</sup> Respondent under Section 142 of the Electricity Act, 2003 for non-compliance of directions issued by this Commission in its order dated 29.10.2019 in M.P.No.14 of 2018 and consequently direct the 1<sup>st</sup> and 2<sup>nd</sup> Respondents to process the Petitioner's applications dated 23.09.2019 by issuing necessary working instructions in line with the order in M.P.No.14 of 2018 regarding HT Consumers establishing solar power plants, upto 1MW or equal to the sanctioned demand whichever is less, within their premises for mere parallel operation for captive use without export of power to the grid.

#### **2. Facts of the case:**

The present petition is filed seeking for a direction under Section 142 of the Electricity Act, 2003 to punish the Respondent TANGEDCO for non-compliance of directions issued by this Commission in its order dated 29.10.2019 in M.P.No.14 of 2018 and consequently direct the Respondents to implement the said order by issuing necessary working instructions regarding HT Consumers establishing solar power plants within their premises for mere parallel operation for captive use without

export of power to the grid. The Petitioner has filed the present petition in order to redress the grievance as a solar energy investor in the State of Tamil Nadu, who had been allegedly seriously discriminated by substantial delay on the part of Respondent TANGEDCO in implementing this Commissions order in M.P.No.14 of 2018 with respect to HT Consumers establishing solar power plants within their premises without export. Due to such alleged delay, the Petitioner's application for NOC/Approval is kept pending without any valid reasons resulting in allegedly huge financial loss to the petitioner having secured financial aid/loans from banks.

### **3. Contentions of the Petitioner:**

3.1. The petitioner is a garment manufacturer having Unit-I at 10/685 to 692, Opp. Park School, Chinnakarai, Karipudur Village, Palladam Taluk, Tirupur District-05 having HTSC No. 039094380620 with a sanctioned demand of 800KVA and Unit-II at 8/564, Segampalayam Road, Upplipalayam, Arulpuram(Po), Palladam(TK), Tirupur-08 having HTSC No. 039094380633 with a sanctioned demand of 500KVA both coming under Tirupur Electricity Distribution Circle. The Government of Tamil Nadu has announced its Solar Policy, namely the "Tamil Nadu Solar Energy Policy 2012" during the year 2012 through its GO (Ms.) No.121 dated 19.10.2012. Considering the environment friendly attributes of solar power the petitioner decided to establish rooftop solar power plant with DC Capacity of 484.7kWp and AC capacity of 415kW at Unit-I and rooftop solar power plant with DC Capacity of 365.6kWp and AC Capacity of 336kW at Unit-II within their respective premises for mere parallel operation for captive use without

export of power to the grid. Enthused by the Policy and orders of this Commission the petitioner has decided to set up rooftop solar power plants and accordingly, the petitioner has gone for seeking loans and also applied for approval/NOC to the 2<sup>nd</sup> Respondent on 23.09.2019 with the relevant documents. The same has been acknowledged by the 2<sup>nd</sup> Respondent. It submitted that M/s. Kyra Photon Tech P Ltd is the rooftop solar systems Liasoning and other government approvals and procedure support company for the Petitioner who has successfully developed several solar power plants and have majorly contributed for the solar development in the State of Tamil Nadu. The Petitioner has obtained loans and have already invested more than 4crs in the above projects and the plant is lying idle for several months now.

3.2. From 2013, the Respondent TANGEDCO started facilitating parallel operation approvals to HT consumers having roof top/ground mounted solar power plants, within their service connection premises, in their HT/LT network without export of energy into the grid. Such approvals were granted subject to certain conditions which were fulfilled by the investor/HT consumers and while erecting the roof top/ground mounted solar power plants without any difficulty.

3.3. However, in the year 2015, Regulation 8 of the Tamil Nadu Electricity Distribution Code, 2004 has been amended so as to permit the generators to evacuate the power by interfacing with the distribution system and to require such generators, including those with captive loads within the

premises, (barring the generators injecting to the grid through net metering) to connect to the sub-station through a separate feeder and that no other distribution load shall be connected to such feeder. The amended Regulation 8 of Tamil Nadu Electricity Distribution Code is extracted below:-

*"8. Distribution System Interface with Generators."*

*The generators may be permitted to evacuate the power by interfacing with the distribution system. They shall comply with the norms specified by the Commission and the Authority for capacity, connectivity, safety etc.:*

*Provided that such generators, including those with captive loads within the premises, barring the generators injecting to the grid through net metering system, shall be connected to the substation through a separate feeder, and no other distribution load shall be connected to this feeder."*

3.4. Consequently the Respondent TANGEDCO, on a misunderstanding of the above amendment, was of the opinion that the facility of parallel operation for roof top/ground mounted SPV Plants within the premises of HT consumers for captive use without export of power can be accorded only to those who have separate feeder/dedicated feeder, irrespective of capacity. On such misunderstanding, several applications for combined capacity of up to 25 MW for the establishment of roof top/ground mounted solar power plants within the HT consumer premises for parallel operation without export were kept pending by the Respondent TANGEDCO without granting approval on the ground that such HT consumers are not having separate feeder.

3.5. Being aggrieved by the same, several HT consumers and also the Tamil Nadu Solar Developers Association made representation dated 08.02.2018 to the Respondent TANGEDCO stating that the above amendment does not apply to establishment of roof top/ground mounted solar power plants within the HT consumer premises for parallel operation without export. Subsequently, the Respondent TANGEDCO filed Miscellaneous Petition being M.P.No.14 of 2018 seeking exemption from Regulation 8 of the TNERC Distribution Code,2004 as amended in 2015 for according approval for parallel operation of solar power plants at LT/HT side of all HT Consumers without export of power since according to the Respondent TANGEDCO, at that the time of filing the petition, more than 50 applications for a combined capacity of 15MW were pending approval on the ground that such HT consumers are not having separate feeder.

3.6. This Commission by its final order dated 29.10.2019 in M.P.No.14 of 2018 held that Regulation 8 of the TNERC Distribution Code, 2004 as amended in 2015 is applicable only to power plants connected to the Distribution system that evacuate/export power to the grid. It is held that Regulations 8 as amended does not apply to establishment of roof top/ground mounted solar power plants within the HT consumer premises for parallel operation without export. It was further held that the Respondent TANGEDCO has miss-interpreted the above amendment since those consumers who wish to set up solar power plants in the premises for in-house loads with no evacuation of power but with connectivity to grid are

different and the Regulation requiring separate feeder is applicable to the cases of generators who evacuate/inject power to the grid. Hence the question of granting exemption by the Commission does not arise.

3.7. The Commission in M.P.No.14 of 2018 directed the Respondent TANGEDCO, in view of the thrust given by Government of India for implementing grid connected rooftop and small solar power plants in order to achieve the cumulative capacity of 40GW RTS Plants by 2022, to permit parallel operation to HT Consumers with solar power plants in a premises with capacities less than 1MW or equal to the sanctioned demand whichever is less, without the need for a separate feeder upto FY 2021-22, subject to technical feasibility, safety norms and other conditions normally being followed and collection of parallel operation charges as applicable.

3.8. Consequent to the above order passed by this Commission the 1<sup>st</sup> and 2<sup>nd</sup> Respondent till date has not issued any working instructions in order to implement the order. It is submitted that as on date more than 200 applications for a combined capacity of 100MW are pending for approval from the 2<sup>nd</sup> Respondent. The Petitioner has made application with relevant documents on 23.09.2019 for both the above solar power plants and from there on has followed up with the 2<sup>nd</sup> Respondent on many times during the last 5 months to process the Petitioner's application and give approval/NOC. The Petitioner has made repeated representations, mail

communications, meet the concerned authorities but till date the Respondent has failed to take steps to implement the order of this Commission. it is pertinent to mention here that the a meeting on the above subject was also conducted in the 1st Respondent's office on 08.01.2020 with a request to issue working instruction in line with the order of this Commission in M.P.No.14 of 2018 so that the 2<sup>nd</sup> Respondent and the regional level officers could implement the order of this Commission by granting approvals for parallel operation to HT Consumers with solar power plants in a premises with capacities less than 1MW or equal to the sanctioned demand whichever is less, without the need for a separate feeder. But till date the entire subject matter is kept pending without any reason.

3.9. The inaction of the Respondent TANGEDCO is very harsh to HT consumers like the Petitioners who have invested on the solar plants after taking huge loans for financial institutions. The inaction of the Respondent TANGEDCO is creating a huge dent in the thrust given by the Government of India for implementing grid connected rooftop and small solar power plants in order to achieve the cumulative capacity of 40GW RTS Plants by 2022. As on date more than 200 applications for a combined capacity of 100MW are pending for approval from the 2<sup>nd</sup> Respondent which not only affects its investors but also amounts to national waste against which the Commission should take stringent action under Section 142 of Electricity Act, 2003.



3.10. The present inaction of the Respondent is contrary to section 9 of the Electricity Act, 2003. Being aggrieved by same, the present petition is filed seeking for a direction under Section 142 of the Electricity Act, 2003 to punish the Respondent TANGEDCO for non-compliance of directions issued by this Commission in its order dated 29.10.2019 in M.P.No.14 of 2018 and consequently direct the Respondents to implement the said order by issuing necessary working instructions regarding HT Consumers establishing solar power plants within their premises for mere parallel operation for captive use without export of power to the grid.

**4. Memo dated 28-07-2020 filed on behalf of the Respondents:-**

4.1 Based on the Commission's order dated 29.10.2019 in MP.No.14 of 2018, in TANGEDCO a procedure has been evolved for extending approvals, upto 2021-22 to HT consumers for the establishment of roof top/ground mounted SPV plants within HT consumer premises for captive use of capacity less than 1 MW or upto sanctioned demand whichever is less, fixing Registration fee structure in three slabs viz, capacity upto 100 KW, capacity between 101 KW and upto 500 KW and capacity more than 500 KW and upto 999 KW, vide (Per) CMD TANGEDCO Proceedings No: 135 dated 30.05.2020. On receipt of Registration fee from the developers, TANGEDCO will issue parallel operation approval to the concerned Chief Engineer/Distribution Region with a copy to the concerned Superintending Engineer/EDC. The copy of parallel operation approval accorded to two applicants, viz. M/s. Gulf Oil Lubricants for the establishment of 350 KW LT grid interactive roof top SPV plant and M/s. K.S. Educational and Charitable Trust for the establishment of

500 KW LT grid interactive roof top SPV plant

4.2. After inspecting the HI consumer premises regarding solar PV installation, the field officials (MRT) shall allow the developers to commission their solar power plant for parallel operation with TANGEDCO grid.

4.3. Out of 158 pending applications, 100 applications have been processed so far. On receipt of payment for Registration fee the applications are processed then and there.

4.4. With regard to Petitioner's application, Registration fee for an amount of Rs.62,500/- + GST 18% have been received in respect of their proposed 415 KW and 336 KW roof top solar power plants, on 24.07.2020. According of parallel operation approval in respect of their proposed roof top SPV plants are under process.

**5. Hearing held on 06-10-2020:-**

In the hearing held on 06-10-2020, the Commission queried TANGEDCO on the delay and directed the presence of the concerned Superintending Engineer in the next hearing to explain the delay in effecting service connection.

**6. Hearing held on 13-10-2020:-**

In the hearing held on 13-10-2020, Thiru S. Jawahar, Superintending Engineer, Tiruppur Electricity Distribution Circle, TANGEDCO appeared and explained that solar panel registration is going on but the factual position is the

consumer on his side could complete his work only by 15<sup>th</sup> November. The Commission thereupon has observed that as soon as the petitioner complies the installation, the service connection shall be given and the Commission has also directed that the petition may be treated as closed. Accordingly the Commission passes the following order:-

**ORDER**

In the circumstances stated in para 6 above, the petition is closed.

(Sd.....)  
**(K.Venkatasamy)**  
**Member (Legal)**

(Sd.....)  
**(Dr.T.Prabhakara Rao)**  
**Member**

(Sd.....)  
**(M.Chandrasekar)**  
**Chairman**

/True Copy /

Secretary  
Tamil Nadu Electricity  
Regulatory Commission