



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**

4<sup>th</sup> 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](mailto:tneochennai@gmail.com)

Web site : [www.tnerc.gov.in](http://www.tnerc.gov.in)

**Before The Tamil Nadu Electricity Ombudsman, Chennai**

**Present : Thiru. N. Kannan, Electricity Ombudsman**

**A.P.No. 109 of 2022**

M/s. Xavier Tennison,  
C/o. Oswin & Jacob Techno Legal Adviser,  
BRIO Hall, No.4/23E, Kamaraj Nagar,  
4<sup>th</sup> Main Road, Thiruvanmiyur,  
Chennai – 600 041.

. . . . . Appellant  
(Rep. by Thiru N. Senthil Viswarooban, Advocate  
& Thiru Franklin Stephen, Advocate)

Vs.

1. The Assistant Engineer/O&M/ Kallikulam,  
Tirunelveli Electricity Distribution Circle,  
TANGEDCO,  
Soosaiapparillam, Bharathi Street,  
Kallikulam, Tirunelveli – 627 113.

2. The Executive Engineer/O&M/ Valliyoor,  
Tirunelveli Electricity Distribution Circle,  
TANGEDCO,  
O/o. Executive Engineer,  
Valliyoor – 627 117.

3. The Superintending Engineer,  
Tirunelveli Electricity Distribution Circle,  
TANGEDCO,  
Anna Building, Thiyagaraja Nagar,  
Tirunelveli-627 011.

. . . . . Respondents  
Tmt. S.Saraswathi, AE/O&M/ Kallikulam  
Thiru T.Valanarasu, EE/O&M/ Valliyoor  
Thiru N.Venkatesh Mani, SE/Tirunelveli, (i/c)

**Petition Received on: 26-12-2022**

**Date of hearing: 08-03-2023**

**Date of order: 20-03-2023**

The Appeal Petition received on 24.12.2022 filed by M/s. Xavier Tennison, C/o. Oswin & Jacob Techno Legal Adviser, BRIO Hall, No.4/23E, Kamaraj Nagar, 4<sup>th</sup> Main Road, Thiruvanmiyur, Chennai – 600 041 was registered as Appeal Petition No. 109 of 2022. The above appeal petition came up for hearing before the Electricity Ombudsman on 08.03.2023. 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**

#### **1.0 Prayer of the Appellant:**

The Appellant has prayed to set aside the order of the CGRF/Tirunelveli dt. 04.11.2022 and direct to comply the orders of TNERC and rework the network charges and export charges.

#### **2.0 Brief History of the case:**

2.1 The Appellant having LT service connection with a sanctioned load of 10 kw installed solar roof top plant with a capacity of 8 KW, network charges were being included from the month of May 2022.

2.2 Hence, the Appellant has filed a petition with CGRF of Tirunelveli EDC on 10.10.2022 requesting to direct the TANGEDCO to make payment of feed in tariff for export from 10/2021 and refund the network charges arrears collected which is already billed and paid.

2.4 The CGRF of Tirunelveli EDC has issued an order dated 04.11.2022. 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 Tirunelveli Electricity Distribution Circle issued its order on 04.11.2022. The relevant portion of the order is extracted below :-

*“மன்றத்தின் தீர்வு:*

*இருதரப்பு வாதங்களையும் ஆராய்ந்ததில் Solar கணக்கீட்டில் Networking charges தலைமை அலுவலகத்திலிருந்து பிறப்பிக்கப்படும் ஆணையின்படியே கணக்கிடப்பட்டுள்ளது. மேலும் Solar Network billing software – update செய்வது TANGEDCO வின் கொள்கை முடிவாகும் என்று தீர்வு செய்து மனுவானது இத்துடன் முடிவுக்கு கொண்டு வரப்பட்டது.*

**முடிவுரை**

*Solar Network billing software – update செய்வது TANGEDCO கொள்கை முடிவாகும் என்று தீர்வு செய்து மனுவானது இத்துடன் முடிவுக்கு கொண்டு வரப்பட்டது.”*

#### **4.0 Hearing held by the Electricity Ombudsman:**

4.1 To enable the Appellant and the Respondents to put forth their arguments, a hearing was conducted on 24.11.2022 through video conferencing.

4.2 On behalf of the Appellant, Thiru N. Senthil Viswarooban and Thiru Franklin Stephen, Advocates of C/o. Oswin & Jacob Techno Legal Adviser attended the hearing and put forth their arguments.

4.3 The Respondents Tmt. S.Saraswathi, AE/O&M/ Kallikulam, Thiru T.Valanarasu, EE/O&M/ Valliyoor and Thiru N.Venkatesh Mani, SE/Tirunelveli, (i/c) of Tirunelveli EDC attended the hearing and put forth their 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 prayers which require relief under the Regulations for CGRF and Electricity Ombudsman, 2004 alone are discussed hereunder.

#### **5.0 Arguments of the Appellant :**

5.1 The Appellant has stated that he is a diligent consumer of TANGEDCO and paying the electricity bill without any default in respect of the LT Service connection 07-066-015-446 under commercial tariff at door No. 213/8, St.Michel Street, T.Kallikulam, Tirunelveli -627113 coming under the jurisdiction of Kallikulam Section, Valliyoor Division of Tirunelveli Electricity Distribution Circle and having a sanctioned load of 10 KW.

5.2 The Appellant has stated that while so in the interest of promoting and absorbing Green energy, he has installed Solar Roof Top plant in his premises with a capacity of 8 kw and got approval of the same from the TANGEDCO on 13.10.2020. The conventional meter was replaced with bi-directional meter on the same date and the said service connection with Net feed Roof Top solar system. The export rate was calculated at 2.08/unit. It is needless to state that as per the GISS Regulations in vogue issued in the month of Oct 2019, the export rates should have been 3.61/unit. The non-implementation of the said regulations issued by Hon'ble TNERC was not adhered to till the month of April 2022. On enquiry it was told that the development of software was under process and will be updated soon.

5.3 The Appellant has stated that to the shock & surprise, the network charges were being included in his service right from the month of May 2022. Whereas the revised rate of procurement of power by TANGEDCO as per the GISS Regulations were not implemented. But under a threat of disconnection, as the said network charges were being included with CC charges, have no other go but to make the payment failing which his service connection would be disconnected. To avoid that he has made the payment for network charges on the pretext, the same will be revised as per the procurement rate of Solar Power as per the GISS Guidelines issued by Hon'ble TNERC.

5.4 The Appellant has stated that meanwhile the arrears of network charges have been worked out from the date of implementation of the GISS Regulations as per the CUF basis of 21% included Rs.8777/- in his Electricity bill. In this situation he has preferred the grievance petition before the CGRF /Tirunelveli for implementation of the GISS Regulations. His petition was taken into file and heard on 29.10.2022. The CGRF has passed an order on 04.11.2022 dismissing his appeal stating that it is the policy decision of the utility to implement the TNERC Regulations in partial or full and also the Solar Billing Network charges update.

5.5 The Appellant has stated that Reg. 7(8) of TNERC Regulations for CGRF & Electricity Ombudsman 2004, clearly stipulates that the decisions of the forum shall be strictly in accordance with the provisions of the Act, Rules & regulations made there under and in particular the TNERC, TNEDC and the directions of the commission and it is not open to the members or Chairperson to deviate either expressly or impliedly from the provisions of the

Act or rules or regulations made there under or the TNERC/ TNEDC or the directions of the commission while taking decisions by the forum. Therefore the order of the CGRF/Tirunelveli stating that "Solar Network billing software -Update செய்வது TANGEDCO கொள்கை முடிவாகும் என்று தீர்வு செய்து மனுவானது இத்துடன் முடிவுக்கு கொண்டு வரப்பட்டது. ... is highly irrational and violation to the regulations of Hon'ble TNERC.

5.6 The Appellant has further stated that the export charges calculation per unit to consumer is calculated as Rs.2.08 per unit only paid whereas the Government order clearly mentioned Rs. 3.61 as the tariff as per commission notification. This is not implemented. Meanwhile an arrears of Rs.8877/- has been included as network charges in his service connection account. The Appellant further submitted that when he has challenged the calculation of Network charges and the non-implementation of appropriate tariff and the CGRF has simply rejected the appeal.

5.7 The Appellant has stated that while so he was about to prefer an appeal before the Hon'ble TNE Ombudsman by paying the 25% of the network charges arrears claimed, his service connection was disconnected on 23/11/2022 with an intention to target him only because he has approached the CGRF. He has paid the arrears in full under protest and without prejudice to the rights accrued in his appeal before the Hon'ble Ombudsman.

5.8 The Appellant has stated that it is needless to state here that while the Hon'ble TNERC temporarily permits the utility to calculate the network charges under CUF basis, the utility has not taken any action to fix meters for arriving actual generation. It is also to be stated that the Utility cannot simply implement the G.O. on a partial manner without the express content of rules framing authority ie TNERC.

5.9 The Appellant has prayed to set aside the order of the CGRF/Tirunelveli as illegal, arbitrary, misconceived and without any jurisdiction part from directing the TANGEDCO to complying the orders of the TNERC in GISS regulations in letter & spirit and to rework arrears of network charges and export charges as per the G.O and refund the same in accordance with the statutory regulations and thus render justice.

## **6.0 Counter submitted by the Respondent:**

6.1 The Respondent has stated that the LT service connection No.07-066-015-446 under commercial tariff effected on 09-04-2014 is in the name of J. Xaviour Dennison at main road, Naduvoorali in Kallikulam section with a sanctioned load of 10 KW.

6.2 The Respondent has stated that the consumer entered into the "Net Feed In" Rooftop solar system on 13.10.2020 with Solar PV Installed capacity of 8KW. The static meter was replaced with static bi-directional meter on the same date. The consumer entered into "Net Feed In" rooftop solar system under the Solar "Net Feed In" connection agreement as per the order on Rooftop solar generation issued by the TNERC on 25.03.2019. In accordance to Reg 6(2) of Hon'ble TNERC's Order No.03 of 2019, 25.03.2019 the price of purchase of energy exported to the grid by the SPGs commissioned under the solar net feed-in during a financial year (01.04.xx to 31.03.xx) is announced at the start of the financial year.

6.3 Under "Net Feed In" scheme, the power purchase rate was fixed as Rs.2.08 per unit for the financial year 2020-21 as found vide Para(2.9) of M.P.No.1 of 2022, Dt 01.03.2022 which states "pursuant to the directives in the Solar Energy Policy 2019, the Commission issued an order on Rooftop Solar Generation vide Order No.3 of 2019 dated 25.03.2019. This order on new scheme of Rooftop Solar Generation, namely, Solar "Net Feed In" consumer category is applicable to all Consumers under Low Tension category except Hut and Agricultural category of tariff. Under "Net Feed In" scheme, the power purchase rate is fixed as Rs.2.08 per unit for the year 2020-21 in the above order. Moreover, as per the agreement which the consumer had agreed upon at the time of effecting the solar service the above rate is fixed for the entire life period of the plant which is 25 years as clearly stated in Reg 6(2) of Hon'ble TNERC's Order No.03 of 2019, Dt:25.03.2019 as "The rate of purchase thus fixed is applicable to the solar power generator commissioned in the relevant financial year for the entire life period of the plant which is 25 years." All the regulations issued by Hon'ble TNERC are being implemented and all the required software upgradation has been done.

6.4 The Respondent has stated that in accordance to Reg. 8.9.5 of TNERC Generic Tariff Order for Grid Interactive PV Solar Energy Generating system (GISS) Order No.8 of 2021 dated 22.10.2021 the Network charges for LT consumers at Rs.1.27/kWh is applicable to all existing and new consumers from the date of effect of TNERC Order. Hence, the consumer was billed by TANGEDCO with network charges from May 2022 in accordance with

Lr.No.CFC/REV/F/REV/AO/REV/F.Network Charges/D.294/22, Dt.04.04.2022. Besides network charge are not to be linked with the export rate. Under net feed-in scheme, the export rate was fixed as Rs.2.08 per unit for the financial year 2020-21. As per the agreement the above rate is fixed for the entire life period of the plant which is 25 years as clearly stated in Reg 6(2) of Hon'ble TNERC's Order No.03 of 2019, Dt:25-03-2019 as "The rate of purchase thus fixed is applicable to the solar power generator commissioned in the relevant financial year for the entire life period of the plant which a 25 years."

6.6 The Respondent has stated that the arrears of network charges have been worked out from the date of implementation of the GISS Regulation and the same was added in the consumer bill which is in accordance with the Tariff Order for Grid Interactive PV Solar Energy Generating system (GISS) Order No.8 of 2021 dated 22.10.2021.

6.7 The Respondent has informed that the consumers was billed by TANGEDCO in accordance with the TNERC orders in full shape and none of the provisions of the Act or rules or regulations made by TNERC was deviated. The network charges calculation and appropriate tariff implemented by the TANGEDCO is in accordance with the TNERC regulations. The Respondent has not rejected the appeal. The forum explained in detail all the facts and regulation of TNERC for solar rooftop to the Appellant.

6.8 The Respondent has stated that the service connection was disconnected on 25.11.2022 as the service no.07-066-015-446 was under defaulters list for non-payment of the CC arrear charges and certainly with no ill intention to disturb the prosumer. The arrear amount collected from the prosumer is in accordance to the TNERC GISS regulation.

6.9 The Respondent has stated that the Regulation 5.4 and 5.5 of Grid Interactive Solar PV Energy Generating Systems (GISS) Regulations, 2021 stipulates the following: "For consumers up to the sanctioned load of 10 KW, the generation of solar energy shall be computed based on the stipulated CUF or energy recorded in the inverter whichever is lower in lieu of installation of gross meter for such assessment. If any dispute arises over such method of computation of energy and assessment of demand, the aggrieved party can install the generation meter at his cost to enable actual assessment of readings relating to the generation. 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". Therefore the network charges are calculated under CUF basis.

6.10 The Respondent has stated that in accordance to The Tamil Nadu Electricity Grid Code (TNEGC) specified by the Tamil Nadu Electricity Regulatory Commission (TNERC) as per section 86 (1) (h) of the Electricity Act, 2003. Any amendments to TNEGC shall also be specified by TNERC only. Hence as per the consolidated Regulations-As amended upto 31-03-2015 of TNERC para 11.3 which states "The requests for amendments to / modifications in the TNEGC and for removal of difficulties shall be addressed to Secretary, TNERC for periodic consideration, consultation and disposal" and para 11.4 which states "Any dispute or query regarding interpretation of TNEGC may be addressed to Secretary, TNERC and clarification issued by the TNERC shall be taken as final and binding on all concerned, the prosumer shall approach the TNERC in case of any query regarding interpretation of TNEGC.

## **7.0 Findings of the Electricity Ombudsman:**

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

1. Whether the claim of the Appellant to pay Rs 3.61/unit for the solar power exported under net feed-in is tenable?
2. Whether the claim of the Appellant to rework arrears of network charges and export charges as per the G.O and refund the same in accordance with the statutory regulations is acceptable?

## **8.0 Findings on the First Issue:**



8.1 The Appellant has stated that he installed a Solar Roof Top plant on his premises with a capacity of 8 Kw and got the approval from the TANGEDCO on 13.10.2020 under Net Feed-in. The conventional meter was replaced with a Bi-directional meter and the export rate was calculated at 2.08/unit. As per GISS Regulations in vogue issued in Oct 2019, the export rates should have been 3.61/unit. The non-implementation of the said regulations issued by Hon'ble TNERC was not adhered to till April 2022.

8.2 The Respondent has stated that the consumer entered into the "Net Feed In" Rooftop solar system on 13.10.2020 with a Solar PV Installed capacity of 8KW and entered into agreement as per the order on Rooftop solar generation issued by the TNERC order no 3 of 2019, dt.25.03.2019. In accordance to Reg 6(2) of Order No.3 of 2019, the price of purchase of energy exported to the grid by the SPGs commissioned under the solar net feed-in during a financial year (01.04.xx to 31.03.xx) is announced at the start of the financial year. The rate of purchase thus fixed is applicable to the solar power generator commissioned in the relevant financial year for the entire life period of the plant which is 25 years. Under net feed-in scheme, the power purchase rate was fixed as Rs.2.08 per unit for the financial year 2020-21 as found vide Para(2.9) of M.P.No.1 of 2022, dt.01.03.2022 which states "pursuant to the directives in the Solar Energy Policy 2019, the Commission issued an order on Rooftop Solar Generation vide Order No.3 of 2019 dated 25-03-2019. This order on new scheme of Rooftop Solar Generation, namely, Solar net feed in-consumer category is applicable to all consumers under Low Tension category except Hut and Agricultural category of tariff. Under net feed-in scheme, the power purchase rate is fixed as Rs.2.08 per unit for the year 2020-21. Moreover, as per the agreement which the consumer had agreed upon at the time of effecting the solar service the above rate is fixed for the entire life period of the plant which is 25 years.

8.3 The crux of the issue is what is the applicable power purchase rate for the Appellant solar plant commissioned during the year 2020. 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. Accordingly, the Hon'ble Commission issued order no 3 of 2019, dt.25.03.2019 for implementing the new mechanism for Rooftop Solar Generation i.e. Solar Net Feed-in. The Appellant entered into the "Net Feed In" Rooftop solar system on 13.10.2020 with a Solar PV Installed capacity of

8KW and entered into agreement as per the order on Rooftop solar generation issued by the TNERC order no 3 of 2019, dt.25.03.2019. In this regard, I would like to refer TNERC order no 3 of 2019, dt.25.03.2019. The relevant paras are extract below:

*Para 6 .Commercial Arrangements*

*6.1 The electricity generated by the solar rooftop power plant shall be utilized for self consumption by the consumer. The surplus/excess energy generated that is unutilized and that flows to the grid and recorded in the export register of the meter shall at the end of the billing period be calculated at a tariff fixed by the Commission and credited to the consumer's account. The energy that is imported from the grid by the consumer shall be calculated at the appropriate retail tariff and the monetary value of imported energy debited from the available credit on account of exported energy in the respective billing period. Any credit available in the account of the consumer after debiting value of imported energy shall be carried over to the next billing period for adjustments against subsequent billing. If the amount to be debited is higher than the credit in a billing period, the consumer shall pay the difference in charges within the specified period in Commission's Regulations. This process shall continue until the end of the settlement period. At the end of the settlement period, credit i.e the monetary value of surplus generation if any shall be settled by the distribution licensee, to the consumer within 15 days from the date of billing, by cheque. The payment shall not carry any interest if settled by the licensee within 15 days from the date of raising of bills. Beyond this period, payments will attract interest at the rate notified for interest on security deposit. Settlement period shall be 12 months from April to March of the financial year i.e 1<sup>st</sup> of April of the current year to the 31<sup>st</sup> of March of the succeeding year.*

*6.2 The price of purchase of energy exported to the grid by the SPGs commissioned under the Solar net feed-in during a financial year shall be at 75% of the pooled cost of power purchase notified by the Commission for the respective financial year in the orders issued on pooled cost of power purchase under Renewable Energy Power Purchase Obligations, 2010 or 75% of last feed in tariff determined by the Commission or 75% of tariff discovered in latest bidding whichever is less. The rate of purchase thus fixed is applicable to the solar power generator commissioned in the relevant financial year for the entire life period of the plant which is 25 years.*

8.3 On a plain reading of the above, it is noted that the price of purchase of energy exported to the grid by the SPGs commissioned under the Solar net feed-in during a financial year shall be at 75% of the pooled cost of power purchase notified by the Commission for the respective financial year in the orders issued on pooled cost of power purchase under Renewable Energy Power Purchase Obligations, 2010 or 75%

of last feed in tariff determined by the Commission or 75% of tariff discovered in latest bidding whichever is less. The rate of purchase thus fixed is applicable to the solar power generator commissioned in the relevant financial year for the entire life period of the plant which is 25 years.

8.4 Further as per clause 10.2 TNERC order no 3 of 2019, dt.25.03.2019, both the parties shall sign a net feed- in connection agreement as in Form-2. Para 6.1 of the said agreement provides the following

*“6. Commercial Settlement*

*6.1 The commercial settlement under this agreement shall be as per the order on Rooftop Solar Generation issued by the TNERC on 25.03.2019.”*

8.5 In the present case, the Appellant Rooftop solar system was commissioned on 13.10.2020 and entered into agreement as per the provisions contained in orders on Rooftop solar generation issued by the TNERC order no 3 of 2019, dt.25.03.2019. Therefore, the power purchase rate for Appellant's SPG for the year 2020-21 is Rs 2.08/unit which is valid for 25 years as per the agreement executed at the time of effecting Roof top solar on 13-10-2020 under net feed-in system. Hence I am of the view that the prayer of the Appellant has no merit and hence rejected.

## **9.0 Findings on the Second Issue:**

9.1 The Appellant has stated that to his shock & surprise, the network charges were being included in his service right from May 2022. Whereas the revised rate of procurement of power by TANGEDCO as per the GISS Regulations was not implemented. But under a threat of disconnection, as the said network charges were being included with CC charges, have no other go but to make the payment failing which his service connection would be disconnected. To avoid that he has made the payment for network charges on the pretext, the same will be revised as per the procurement rate of Solar Power as per the GISS Guidelines issued by Hon'ble TNERC. The Appellant has stated that meanwhile the arrears of network charges have been worked out from the date of implementation of the GISS Regulations as per the CUF basis of 21% including Rs.8777/- in his Electricity bill. The Appellant has stated that it is needless to state here that while the Hon'ble TNERC temporarily permits the utility to calculate the network charges under a CUF basis the utility

has not taken any action to fix meters for arriving actual Generation. Also, it should be noted that without the explicit substance of the rules-making authority, i.e. TNERC, the Utility cannot simply execute the G.O. in part. Hence the Appellant claimed to cancel the Network charges amount Rs.8877/- and rework arrears of network charges and export charges and refund the same following the statutory regulations.

9.2 The Respondent has stated that following Reg. 8.9.5 of TNERC Generic Tariff Order for Grid Interactive PV Solar Energy Generating system (GISS) Order No.8 of 2021 dated 22.10.2021 the Network charges for LT consumers at Rs.1.27/kWh applies to all existing and new consumers from the date of effect of TNERC Order. Hence, the consumers were billed by TANGEDCO with network charges from May 2022.

9.3 The Appellant has stated in his prayer that the network charges were claimed from May 2022 along with arrears. The Respondent also expressed that the network work charges is being collected as per the TNERC's Order No.8 of 2021, dt 20-10-2021. In this regard, I would like to refer Order No.8 of 2021, dt 20-10-2021. Regarding collection of network charges, the relevant para 8 is reproduced below:

***“8 Net work charges:***

*8.1. Section 61 of the Electricity Act insists that the generation, transmission, distribution and supply of electricity are conducted on commercial principles. Regulation 4 (5) of the Commission's Power Procurement from New and Renewable Sources of Energy Regulation 2008, stipulates that while determining the tariff, the Commission shall adopt appropriate financial and operational parameters.*

*8.1.1 Grid interactive support is the ingredient component of any grid connected solar system, without which the solar generating system would become non-functional.*

*8.1.2 While the development of solar has been on the rise in the past decade with isolated investments of individual projects, the supportive Grid on which these solar systems depend on their operation, had been developed with huge investment and being maintained with equally huge recurring expenditure.*

*8.1.3 When a dual investment is made for network system and solar system collectively in order to make them to co-exist and complement each other to operate in tandem, the substantial investment pertaining to half portion of the system cannot be ignored.*

*8.1.4 Thus the component of the charges pertaining to essential linkage of grid to generate solar power has to be necessarily made a part of charges to be determined holistically for generic solar tariff.*

8.2 *This network charges shall be applicable to consumers of net-metering and net-billing mechanism for the total units generated by the solar systems. Such charges to be recovered from the prosumers will be covered within the total Aggregate Revenue Requirement as envisaged in the amendment to the Terms and conditions for Tariff Regulation 2005 as notified vide TNERC/TR/5/3 dated 26.05.21.*

8.3 *Net work charges shall not be applicable for eligible consumers / generators of gross metering mechanism as it involves direct sale of the units generated by their solar system to the Licensee.*

8.4 *Net work charges shall be applicable to all existing and new consumers except for consumers who sell the generated units directly to the Licensee under Gross metering mechanism.*

8.5 *Net work charges shall be applicable to the prosumers categorised under net metering or net billing or net feed in mechanism, as determined by the commission under regulation 70 of TNERC (Terms and conditions for determination of Tariff) Regulations 2005, from time to time.*

8.6 *To encourage the growth of solar power in domestic sector, the Commission proposes to levy 20% of network charges for domestic consumers of up to 10KW and 75% of network charges for the domestic consumers of above 10KW.*

8.7 *100% net work charges shall be applicable to all other category of consumers / prosumers (except agriculture consumers for which separate orders will be issued) covered under net feed-in mechanism.*

8.8 *The total units recorded in the meter provided to measure the gross generation of solar power shall be reckoned for calculation of network charges.”*

9.4 From the above, it is clear that Grid interactive support is the ingredient component of any grid connected solar system, without which the solar generating system would become non-functional. The development of solar has been on the rise and the supportive Grid on which these solar systems depend on their operation, had been developed with huge investment and being maintained with equally huge recurring expenditure. Thus the component of the charges pertaining to essential linkage of grid to generate solar power has to be necessarily made a part of charges to be determined holistically for generic solar tariff. This network charges shall be applicable to consumers of net-metering and net-billing mechanism for the total units generated by the solar systems.

9.5 Further as per the above regulation, the network charges shall be applicable to **all existing and new consumers / prosumers** categorised under net metering or net billing or net feed in mechanism, as determined by the commission under regulation 70 of TNERC (Terms and conditions for determination of Tariff) Regulations 2005, from time to time.

Further, the Commission determined to levy 20% of network charges for domestic consumers of up to 10KW and 75% of network charges for the domestic consumers of above 10KW and 100% net work charges shall be applicable to all other category of consumers / prosumers (except agriculture consumers for which separate orders will be issued) covered under net feed-in mechanism. Further, as per regulation 4(1)(i-a) of TNE Supply Code, the wheeling / Network charges shall be payable by the HT / LT consumer category in accordance with the rates as the Commission may fix time to time for different category of consumers (to recover the cost incurred by the Licensee for its Distribution wire business). Accordingly, the Hon'ble Commission have notified the Tamil Nadu Electricity Regulatory Commission (Grid Interactive Solar PV Energy Generating Systems) (GISS) Regulations, 2021 which come into force from 20.10.2021 i.e. from the date of the publication in the Tamil Nadu Government Gazette and hence network charges are to be collected from 20.10.2021. Therefore, I am of the view that the collection of net work charges along with arrears for the Appellant's roof top solar system is in line with the Regulation.

9.6 Further, the Appellant has stated that while the Hon'ble TNERC temporarily permits the utility to calculate the network charges under a CUF basis, the utility has not taken any action to fix meters for arriving actual Generation. In the present case, the Appellant has installed Solar PV capacity of 8KW. In this regard, I would like to refer regulation 5 of GISS Regulations, 2021 which is given below:

***“5. Metering arrangement***

*xxx*

*5.4 For Consumers up to sanctioned load of 10 KW, the generation of solar energy shall be computed based on the stipulated CUF or energy recorded in the inverter whichever is lower in lieu of installation of gross meter for such assessment, If any dispute arises over such method of computation of energy and assessment of demand, the aggrieved party can install the meter at his cost to enable actual assessment of readings relating to the generation .*

9.7 On a plain reading, it is noted that for Consumers up to sanctioned load of 10 KW, the generation of solar energy shall be computed based on the stipulated CUF or energy recorded in the inverter whichever is lower in lieu of installation of gross meter for such assessment, If any dispute arises over such method of computation of energy and assessment of demand, the aggrieved party can install the meter at his cost to enable actual

assessment of readings relating to the generation. In the case on hand, the Appellant objected to levy network charges based on CUF. Therefore, the Appellant is advised to install the Generation meter at his cost as stipulated in GISS regulation, 2021.

## 10.0 Conclusion :

10.1 From the findings of the forgoing paras, the prayer of the Appellant to rework arrears of network charges and re-fixing the purchase price of export charges for his Solar PV is not acceptable and hence rejected.

10.2 With the above findings the A.P.No.109 of 2022 is finally disposed of by the Electricity Ombudsman. No Costs.

**(N.Kannan)**  
Electricity Ombudsman

“நுகர்வோர் இல்லையேல், நிறுவனம் இல்லை”

“No Consumer, No Utility”

To

1. M/s. Xavier Tennison,  
C/o. Oswin & Jacob Techno Legal Adviser,  
BRIO Hall, No.4/23E, Kamaraj Nagar,  
4<sup>th</sup> Main Road, Thiruvanmiyur,  
Chennai – 600 041.

- By RPAD

2. The Assistant Engineer/O&M/ Kallikulam,  
Tirunelveli Electricity Distribution Circle,  
TANGEDCO,  
Soosaiapparillam, Bharathi Street,  
Kallikulam, Tirunelveli – 627 113.

3. The Executive Engineer/O&M/ Valliyoor,  
Tirunelveli Electricity Distribution Circle,  
TANGEDCO,  
O/o. Executive Engineer,  
Valliyoor – 627 117.

4. The Superintending Engineer,  
Tirunelveli Electricity Distribution Circle,  
TANGEDCO,  
Anna Building, Thiyagaraja Nagar,  
Tirunelveli-627 011.

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

– By Email

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

– By Email

7. The Assistant Director (Computer) –For Hosting in the TNERC Website  
Tamil Nadu Electricity Regulatory Commission,  
4th Floor, SIDCO Corporate Office Building,  
Thiru-vi-ka Industrial Estate, Guindy, Chennai – 600 032.