

Brief Note on Guidelines under DERC (Net Metering for Renewable Energy) Regulations, 2014

On 2nd of September, 2014, Delhi Electricity Regulatory Commission had issued DERC (Net Metering for Renewable Energy) Regulations, 2014 to promote use of Renewable Energy Generation for Self Consumption. For effective and proper implementation of these Regulations, the Commission has formulated guidelines elaborating minimum transformer level capacity that must be offered for connectivity, procedural requirements for obtaining connectivity, technical requirement of the Renewable Energy System, mechanism for billing, accounting adjustment (both in terms of net off as well as in financial terms). The broad features of these guidelines are:

Procedure for declaring Distribution Transformer (DT) Level

- DT level capacity to be offered for Connecting Renewable Energy System shall not be less than 20% of the rated capacity of respective DT. However, the Commission may assess the DT level capacity through an independent agency – This will protect Consumer's interest.

Procedure for Application, Registration & Connectivity

- Formats for Application and Registration have been appended with the guidelines.
- For initial application, a fee of Rs. 500/- has been prescribed.
- The Connectivity shall be provided on First cum First serve basis subject to Feasibility Analysis including operational and capacity constraints.
- If due to any reason, Distribution Licensee is unable to offer connectivity for all or part of the capacity applied by the Consumer, it shall seek prior approval of the Commission for not providing connectivity or offering connectivity for a reduced capacity and refund the application fee at Consumer's option within 7 days of receipt of intimation regarding non availability of capacity for connectivity or within 7 days of the expiry of 180 days period from the date of application.
- The guidelines provide that the Distribution Licensee, at the time of giving intimation regarding connectivity, shall also give the Registration form along-with details of documentation and clearances required.
- The Consumer shall submit the Registration form for connectivity of Renewable Energy System along with the requisite fee.
- In the interest of the Consumer, a mechanism of preliminary check, in the presence of the applicant / his authorized representative at the time of submission of the Registration Form with a further provision of intimating the deficiencies in the submitted form and personal hearing has been provided for prior to its rejection. All such rejections have to be under intimation to the Commission.
- The guidelines also prescribe the time lines for various activities associated with submission of Application, undertaking feasibility analysis for connectivity, Registration and implementation including execution of Connection Agreement.
- Interconnectivity standards, safety, theft and tempering of meters shall be governed as per the relevant Acts and Regulations.

Billing, Accounting and Payment

- The electricity consumption for Consumers falling under Time of Day (ToD) tariff structure shall be first compensated with the electricity generation in the similar time blocks in the same billing cycle only and any surplus generation carried forward to the next billing cycle shall be set off against consumption during off-peak period and for set off against other time blocks, same shall be moderated as per the relevant rebate/surcharge percentage of ToD tariff applicable for the relevant year. For better understanding, sample calculations have also been provided in the Guidelines in this regard.
- The Consumer shall be paid for net energy credits which remain unadjusted at the end of the financial year at the rate of Average Power Purchase Cost (APPC) of the Distribution Licensee.