

Draft Guidelines under DERC (Net Metering for Renewable Energy) Regulations, 2014 for Implementation of Group Net Metering and Virtual Net Metering Framework under Delhi Solar Policy 2016

Introduction

The Electricity Act, 2003 entrusts on the appropriate Commission, the responsibility of promotion of co-generation and generation based on renewable energy sources. The policy framework of the Government of India also stresses on the encouragement of renewable energy sources keeping in view the need for energy security of the country. Delhi Solar Policy, 2016 issued by the Government of NCT of Delhi (GoNCTD) vide notification dated 27.09.2016 considers solar power to be the most viable form of green energy in Delhi which has the potential of lowering the state's expenditure on energy, strengthening its energy security, and reducing its reliance on unsustainable fossil fuels.

The Commission in order to achieve the objectives under the Delhi Solar Policy, 2016 had constituted a Committee to prepare framework. The Committee had submitted its report and the same is attached as Annexure-I.

The Delhi Electricity Regulatory Commission in exercise of powers conferred under Regulation 14 of the DERC (Net Metering for Renewable Energy) Regulations, 2014 and all other powers enabling it in this behalf, hereby makes the following Guidelines for implementation of Group Net Metering and Virtual Net Metering Framework under DERC (Net Metering for Renewable Energy) Regulations, 2014. These Guidelines shall come into force from the date of issue.

1. General & Applicability

- (1) Group Net Metering shall be an arrangement whereby surplus energy exported to the grid from a solar plant at the location of the solar plant can be adjusted in any other (one or more) electricity service connection(s) of the consumer within the NCT of Delhi, provided these connections are in the same DISCOM territory. The purpose of this provision is to help maximize the utilization of rooftop space for solar energy generation for consumers with multiple buildings and service connections.

- (2) Virtual Net Metering shall be an arrangement to give access to the Solar Net Metering facility for consumers who do not have a suitable roof for installing a solar system (e.g. residential consumers who live in apartments, consumers with shaded rooftops) there will be the facility of Virtual Net Metering. In Virtual Net Metering consumers can be beneficial owners of a part of a collectively owned solar system. All energy produced by a collectively owned solar system will be fed into the grid through an energy meter and the exported energy as recorded by that meter will be pro-rata credited in the electricity bill of each participating consumer on the basis of beneficial ownership.
- (3) In the initial phase, Group Net Metering Framework and Virtual Net Metering Framework shall be made applicable for government entities. the same may be extended for other consumers of Delhi as per the directions or Orders of the Commission from time to time.
- (4) Annual Settlement Rate may be governed as per the provisions of Net Metering Guidelines issued under Delhi Electricity Regulatory Commission (Net Metering for Renewable Energy) Regulations, 2014, which may be revised by the Commission from time to time.
- (5) The provisions for providing land space shall be governed as per provisions Delhi Electricity Regulatory Commission (Supply Code and Performance Standards) Regulations, 2017 as amended & Orders issued under these Regulations from time to time.
- (6) The provisions for framework for forecasting, scheduling & handling deviations may be as per applicable Regulations or directions of the Commission from time to time.
- (7) The consumer for applying for Group Net Metering and Virtual Net Metering shall make an application in the format prescribed by the Distribution Licensee along with a fee of Rs.1000/- (Rupees Thousand) to the respective DISCOM. The consumer can download the application form from the website of the DISCOMs. Permission shall be issued within 15 days from the date of grant of feasibility for connectivity. The procedure for connectivity for Group Net Metering and Virtual Net Metering shall be subject to clause 3 of guidelines already issued by the Commission

2. Group Net Metering Framework:-

- (1) Distribution Licensees shall facilitate Group Net metering, whereby surplus energy exported to the grid from a solar plant at the location of the solar plant can be adjusted in any other (one or more) electricity service connection(s) of the consumer within the same distribution licensee area:

Provided that the different connections in the name of individuals of different departments /organizations under the state/ central government within the same distribution licensee area shall be treated as single consumer for the purpose of eligibility under Group Net Metering

{Explanation: Say for schools owned by Municipal Corporation of Delhi (MCD), the connection is generally taken in the name of Principal. Therefore, in such cases, these connections taken for the schools owned by a single Government Organization i.e. MCD shall be covered under group net metering.}

- (2) In case if the capacity of solar plant is more than the sanctioned load of the premises of the consumer on which solar plant is installed, the consumer shall pay the differential amount of SLD charges as per Regulation 5(4) of DERC (Net Metering for Renewable Energy) Regulations, 2014.
- (3) Smart meters shall be installed at Generation point(s) and the cost shall be borne by the distribution licensee.
- (4) The priority of the adjustment of energy generated from solar plant shall be as under:-
 - (ii) to the consumption recorded for the premises on which solar plant is located;
 - (iii) thereafter, the consumer shall give the priority list for adjustment of the balance surplus energy to other electricity connection(s), once in every financial year with an advance notice of two months:

Provided that if no choice is given by the consumer, the priority as existing on last day of previous financial year shall continue.

- (5) The distribution licensee for the purpose of settlement under Net Metering Regulations for any ToD connection(s) under Group Net Metering framework shall replace the existing meter with ToD compliant meter:

Provided that the tariff for different category of connections shall be as per applicable tariff schedule of the Commission issued from time to time.

- (6) The Distribution Licensee shall show, separately, the energy units exported, the energy units imported, the net energy units billed and/or the energy units carried forward, if any, to the consumer in their bill for the respective billing period.
- (7) During any billing cycle, the distribution licensee shall raise invoice for the net electricity consumption, as per applicable tariff, only after adjusting / netting off of the unadjusted energy credits of the previous billing cycle(s) of the consumers under group Net Metering.
- (8) The surplus energy measured in kilo-watt hour shall be utilized to offset the consumption measured in kilo-watt hour only unless otherwise allowed by the Commission from time to time. In case the consumer is billed on kVAh, during injection of surplus energy to the grid, the Power Factor shall be assumed equal to unity.
- (9) At the end of the each Financial Year, any net energy credits, which remain unadjusted, shall be paid for by the distribution licensee to the consumer as per the rates notified by the Commission under DERC (Net Metering for Renewable Energy) Regulations, 2014.

3. Virtual Net Metering Framework:-

- (1) Consumer(s) can collectively own a solar system under the arrangement of Virtual Net metering.
- (2) In case if the capacity of solar plant is more than the sanctioned load of the premises on which solar plant is installed, the consumer(s) shall pay the differential amount of SLD charges as per Regulation 5(4) of DERC (Net Metering for Renewable Energy) Regulations, 2014.
- (3) Smart meters shall be installed at Generation point(s) and the cost shall be borne by the distribution licensee.
- (4) The adjustment of energy generated from solar plant shall be credited in the electricity bill of each participating consumer on the basis of share of beneficial

ownership in the solar plant at the time of application for connectivity under Virtual Net Metering framework.

Provided that the consumer(s) shall have the option to change the share of credit of electricity from solar plant once in a financial year with an advance notice of two months.

(Explanation”:- ‘Beneficial Ownership’ for the purpose of computation of share of credit of electricity from solar plant shall be declared by such consumers}

- (5) The energy exported to the grid from a solar plant can be adjusted in (one or more) electricity service connection(s) of each participating consumer within the same distribution licensee area:
- (6) In case if the share of electricity generated of a participant consumer is adjusted in more than one electricity connection and any of the service connection of that consumer is under ToD tariff regime, the distribution licensee shall convert all the electricity service connections of that participating consumer into ToD compliant meters:

Provided that the tariff for different category of connections shall be as per applicable tariff schedule of the Commission issued from time to time.

- (7) The Distribution Licensee shall show, separately, the energy units exported, the energy units imported, the net energy units billed and/or the energy units carried forward, if any, to the consumer in their bill for the respective billing period of the consumers under Virtual Net Metering.
- (8) If during any billing period, the export of units exceeds the import of units consumed, such surplus units injected by the consumer shall be carried forward to the next billing period as energy credit and shown as energy exported by the consumer for adjustment against the energy consumed in subsequent billing periods within the settlement period.
- (9) During any billing cycle, the distribution licensee shall raise invoice for the net electricity consumption, as per applicable tariff, only after adjusting / netting off of the unadjusted energy credits of the previous billing cycle(s).
- (10) The surplus energy measured in kilo-watt hour shall be utilized to offset the consumption measured in kilo-watt hour only unless otherwise allowed by the Commission from time to time. In case the consumer is billed on kVAh, during

injection of surplus energy to the grid, the Power Factor shall be assumed equal to unity.

- (11) At the end of the each Financial Year, any net energy credits, which remain unadjusted, shall be paid for by the distribution licensee to the consumer as per the rates notified by the Commission under DERC (Net Metering for Renewable Energy) Regulations, 2014.
- (12) Under Virtual Net Metering, there is no restriction on intra DISCOM or inter DISCOM transfer of surplus energy as per Delhi Solar policy, 2016. Therefore, in case of inter DISCOM transfer of power due to physical location of either of Generation plant or Consumer in different DISCOM area, normative distribution losses on account of transfer of power shall be borne by the consumer. Distribution licensees shall account for the unit of energy transferred after taking into consideration the normative distribution losses applicable in the area of distribution licensee where generation plant is located. Any surplus unit transferred from one DISCOM to other DISCOM on account of VNM consumers at the yearend should be settled as per provisions of DERC (Net Metering for Renewable Energy) Regulations 2014 and guidelines.

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(Surendra Edupghanti)
Secretary