

Draft Electricity (Rights of Consumers) (Amendment) Rules, 2021

The Ministry of Power prepared and notified on 9th April, 2021 a draft amendment to the Electricity (Rights of Consumers) Rules, 2021. These rules may be called the Electricity (Rights of Consumers) (Amendment) Rules, 2021.

Key points of the amendment rules are:

1. Definitions of “Gross-metering”, “Net-metering” and “Net-billing or net feed-in” may be added in sub-rule to the Rule 2 of the Electricity (Rights of Consumers) Rules, 2020.
2. The Commission may allow net metering to the prosumer for loads up to 500 kW or up to the sanctioned load, whichever is lower and net-billing or net feed-in for other loads.
3. Prosumers are incentivized to install energy storage so that stored solar energy can be utilized by them or fed into the grid during peak hours.

The draft amendment rules can be accessed here

CER Opinion:

1. Rule (2) of the Amendment Rules,

- (ia) “**Gross-metering**” ‘the total solar energy generated from Grid Interactive Rooftop Solar PV system of a Prosumer and the total energy consumed by the Prosumer are accounted separately through appropriate metering arrangements’.

As per the definition specified in sub-rule (m) to Rule 2 of the Electricity (Rights of Consumers) Rules, 2020, “prosumer means a person who consumes electricity from the grid and can also inject electricity into the grid for distribution licensee, using same point of supply”. It is not clear if ‘appropriate metering arrangements’ includes more than one metering arrangement (required for gross metering cases) as it may conflict with the condition of ‘using same point of supply’.

2. Rule (3) of the Amendment Rules,

- “..... The Commission may allow net metering to the prosumer for loads up to five hundred kW or up to the sanctioned load, whichever is lower.....”

A number of consumers, particularly large commercial and industrial consumers, have a ‘contract demand’ with the licensee instead of ‘sanctioned load’. Unless both are construed to mean the same, the above sentence may be reconstructed as “..... for loads up to five hundred kW or up to the sanctioned load or contract demand (as the case may be), whichever is lower.....”

3. Time-of-Day Tariff

- “..... Commissions may introduce time-of-the-day (ToD) tariffs whereby Prosumers are incentivized to install energy storage so that stored solar energy can be utilized by them or fed into the grid during peak hours”

'Commissions' should be replaced with *'Appropriate Commission'*.

ToD based tariff option should be available to all consumers above 5 kW and be mandatory for consumers above 10 kW. This would encourage consumers to install storage solutions and/or adopt demand side management options. On-site economical storage would also help long-term reduction in peak demand and hence the Resource Adequacy to meet the same.

4. Feeder Separation and Solarised Agriculture Pump sets: To fully utilize the potential of grid connected solarised agricultural pumps to feed electricity to the grid, these feeders would be required to be charged (esp. during day hours). Evaluation of an investment towards feeder segregation in future should consider this additional requirement.