# MAHARASHTRA ELECTRICITY REGULATORY COMMISSION

## **NOTIFICATION (DRAFT)**

## ELECTRICITY ACT, 2003.

No. MERC/Tech/Regulation/\_\_\_\_\_.- In exercise of the powers conferred under Section 61 and Section 86(3) read with Section 181 of the Electricity Act, 2003 (36 of 2003) and in pursuance to Clause 5.3 of the Tariff Policy, 2016 and all other powers enabling it in this behalf, and after previous publication, the Maharashtra Electricity Regulatory Commission makes the following Regulations to amend the Maharashtra Electricity Regulatory Commission (Distribution Open Access) Regulations, 2016 read with Maharashtra Electricity Regulatory Commission (Distribution Open Access) First Amendment Regulations 2019 (**'the Principal Regulations'**), namely:

#### Preamble

As per Section 86 (1) (e) of the Electricity Act, 2003 ("EA 2003" or "the Act"), the State Electricity Regulatory Commissions ("SERCs" or "Commissions") have been assigned the function of promoting generation of electricity from renewable sources of energy by providing suitable measures for connectivity with the grid and sale of electricity to any person. The Maharashtra Electricity Regulatory Commission notified the Maharashtra Electricity Regulatory Commission (Distribution Open Access) Regulations, 2016 on March 30, 2016 and Maharashtra Electricity Regulatory Commission (Distribution Open Access) (First Amendment) Regulations, 2019 on June 08, 2019. There have been certain sectoral developments, including the First and Second Amendments notified by the Ministry of Power (MoP) to the Electricity (Promoting Renewable Energy Through Green Energy Open Access) Rules, 2022. These changes have been appropriately incorporated in the Maharashtra Electricity Regulatory Commission (Distribution Open Access) (Second Amendment) Regulations, 2023.

#### Short title and commencement

- 2.1. These Regulations may be called the Maharashtra Electricity Regulatory Commission (Distribution Open Access) (Second Amendment) Regulations, 2023.
- 2.2. These Regulations shall come into force from the date of their publication in the Official Gazette.

## Amendment to Regulation 2 in Part A: PRELIMINARY of the Principal Regulations:-

Introduction of Regulation 2.1(7)(a) after Regulation 2.1(7) of the Principal Regulations:—

"2.1(7)(a) "Central Nodal Agency" means the nodal agency notified by the Central Government to set up and operate a single window green energy open access system for renewable energy."

Introduction of Regulation 2.1(19)(a) and 2.1(19)(b) after Regulation 2.1(19) of the Principal Regulations:—

"2.1(19)(a) "Entity" means any consumer who has contracted demand or sanctioned load of Hundred kW or more either through multiple connections aggregating Hundred kW or more located in same electricity division of a Distribution Licensee, except for captive consumers:

Provided that in case of captive consumers, there shall not be any load limitation;

"2.1(19)(b) "Forum of Regulators" means the Forum as referred to in sub-section (2) of Section 166 of the Act.

# Substitution of Regulation 2.1(32) of the Principal Regulations:—

"2.1(32) **"Renewable Energy"** / **"Green energy"** means the electrical energy from renewable sources of energy including hydro and storage (if the storage uses renewable energy) or any other technology as may be notified by the Government of India from time to time and shall also include any mechanism that utilises green energy to replace fossil fuels including production of green hydrogen or green ammonia as per any other sources, as may be, determined by the Central Government."

# Introduction of Regulation 2.1.(32)(a) after Regulation 2.1(32) of the Principal Regulations:—

"2.1(32)(a) "**Rules**" shall mean the Electricity (Promoting Renewable Energy Through Green Energy Open Access) Rules, 2022 and subsequent amendments.

#### Amendment to Regulation 3 of the Principal Regulations:

# 2<sup>nd</sup> and 8<sup>th</sup> Provisos to Regulation 3.2 of the Principal Regulations stand deleted.

# Introduction of Regulation 3.3 and 3.4 after Regulation 3.2 of the Principal Regulations:

"3.3 Notwithstanding anything contained in Regulations 3.2, Consumers having Contract Demand or Sanctioned Load of 100 kW or more or as may be amended in the Rules from time to time, or Entity through multiple connections aggregating 100 kW or more located in same electricity division of a Distribution Licensee, shall be eligible to take power from Green Energy through Open Access:

Provided that there shall be no limit of supply of power for the captive consumers taking power under Green Energy Open Access:

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Provided further that for Open Access consumers sourcing power from renewable energy generators, capacity limit up to Contract Demand or Sanctioned Load as specified in Regulation 3.2 shall not be applicable, but shall be subject to conditions of resultant power flow specified under Regulation 8.10:

Provided also that in case of multiple connections before start of Green Energy Open Access, consumers shall intimate the Distribution Licensee in advance regarding the percentage share of energy generation from the Renewable Energy projects to each connection so as to enable the Distribution Licensee to account for the same appropriately:

Provided also that Green Energy Open Access consumers shall not change the quantum of power consumed through open access for at least twelve-time blocks."

3.4 Subject to meeting eligibility criteria under Regulation 3.2 or 3.3 as the case may be, Consumer having Roof Top Renewable Energy Generating Systems can simultaneously avail Open Access under these Regulations.

# Amendment to Regulation 4 of the Principal Regulations:

#### Introduction of 3<sup>rd</sup> Proviso to Regulation 4.1 of the Principal Regulations:

"Provided also that procedures and formats devised by Central Nodal Agency as per provisions of Rules shall be followed for seeking Green Energy open access."

#### Amendment to Regulation 8 of the Principal Regulations:

# Introduction of 3<sup>rd</sup>, 4<sup>th</sup> and 5<sup>th</sup> Provisos after 2<sup>nd</sup> Proviso to Regulation 8.1 of the Principal Regulations:

"Provided further that formats and timelines devised by Central Nodal Agency as per provisions of Rules shall be followed for seeking Green Energy open access:

Provided also that in case of Short-Term Green Energy Open Access, Maharashtra State Load Despatch Centre and in case of Medium / Long Term Green Energy Open Access,

the State Transmission Utility shall perform duties of Nodal Agency as stipulated in the procedure framed by Central Nodal Agency:

Provided also that concerned Distribution Licensee shall provide all required details to the Nodal Agency so as to enable them to comply with the timelines stipulated in Rules and procedure for Green Open Access framed by the Central Nodal Agency."

## Amendment to Regulation 14 of the Principal Regulations:

# Introduction of 2<sup>nd</sup>, 3<sup>rd</sup> and 4<sup>th</sup> Provisos after 1<sup>st</sup> Proviso to Regulation 14.7 (d) of the Principal Regulations:

"Provided further that the cross-subsidy surcharge for Green Energy Open Access Consumer purchasing green energy from a generating plant using renewable energy sources, shall not be increased during twelve years from the date of operating of the generating plant using renewable energy sources, by more than fifty percent of the surcharge fixed for the year in which open access is granted:

Provided also that cross-subsidy surcharge shall not be applicable in case power produced from a non-fossil fuel based Waste-to-Energy plant is supplied to the Open Access Consumer:

Provided also that Cross-subsidy surcharge shall not be applicable if green energy is utilized for production of green hydrogen and green ammonia."

# Introduction of 2<sup>nd</sup>, 3<sup>rd</sup> and 4<sup>th</sup> Provisos after 1<sup>st</sup> Proviso to Regulation 14.8 (d) of the Principal Regulations:

"Provided further that additional surcharge shall not be applicable if power produced from a non-fossil fuel based Waste-to-Energy plant is supplied to the Open Access Consumer:

Provided also that additional surcharge shall not be applicable if green energy is utilized for production of green hydrogen and green ammonia:

Provided also that additional surcharge shall not be applicable in case of electricity produced from offshore wind projects, which are commissioned up to December, 2032 and supplied to the Open Access Consumers."

# Amendment to Regulation 17 of the Principal Regulations:

# Introduction of 2<sup>nd</sup> Proviso after 1<sup>st</sup> Proviso to Regulation 17.1 of the Principal Regulations:

"Provided further that Green Energy Open Access to Consumer with Contract Demand lower than 1 MW shall be allowed based on ToD meter."

#### Amendment to Regulation 20 of the Principal Regulations:-

#### Substitution of Regulation 20.4 of the Principal Regulations:

"20.4 Banking charges shall be adjusted in kind @ 8% of the energy banked."

## Substitution of Regulation 20.5 of the Principal Regulations:

"20.5 The un-utilised surplus banked energy shall be considered as lapsed at the end of each banking cycle:

Provided that the Renewable Energy generating station shall be entitled to get Renewable Energy Certificates to the extent of the lapsed banked energy."

Mumbai Dated: \_\_\_\_August 2023 (**Dr. Rajendra G. Ambekar**) Secretary, Maharashtra Electricity Regulatory Commission