

**PUNJAB STATE ELECTRICITY REGULATORY COMMISSION**  
**SITE NO. 3, BLOCK B, SECTOR 18-A MADHYA MARG, CHANDIGARH**

**Petition No. 13 of 2019**  
**Date of hearing: 07.08.2019**  
**Date of Order: 06.09.2019**

In the matter of: Petition under Regulation 18 of PSERC  
(Grid Interactive Rooftop Solar Photo  
Voltaic Systems based on Net Metering)  
Regulations, 2015.

AND

In the matter of: Sh. Vinod Kumar Dutt R/O H. No. 176  
Friends Colony Khanna Distt Ludhiana.

...Petitioner

Versus

Punjab State Power Corporation Limited,  
The Mall Patiala.

...Respondent

Present: Ms. Kusumjit Sidhu, Chairperson  
Sh. S.S. Sarna, Member  
Ms. Anjali Chandra, Member

Petitioner: Sh. R.S. Dhiman  
Sh. S.D. Bansal

**ORDER**

The petitioner has filed the present petition praying to apply a suitable and modified single part tariff or exempt the consumers who have installed their own Roof Top Solar systems from levy of Fixed Charges.

2. The petitioner has submitted:

- a) that he has an electricity connection of DS Category bearing account no. 3002515442 with a sanctioned load

of 75.160 KW and a Rooftop Solar System of 38 KW installed at his premises with the approval of PSPCL. Lured by the incentives offered by the Government, he installed the rooftop SPV system based on net metering Regulations in 2015. The sole aim was to save on electricity bills as projected in the policy of Government. He made an investment of nearly Rs. 25 lac on this project.

- b) That the matter regarding Fixed Charges was also brought before CGRF Patiala which disposed of the case no. CG-44 of 2019 as under:

*“Two Part Tariff (TPT) structure/Fixed Charges specified in condition 9 of General Conditions of Tariff approved by the PSERC in its Tariff Order of PSPCL for FY 2018-19 is also applicable to the petitioner. Accordingly, Fixed Charges levied to the petitioner in compliance of Tariff Order of PSPCL for FY 2018-19 is justified and recoverable.”*

- c) While accepting the Forum's decision, the petitioner being aggrieved with the tariff in as much as a fixed charge has been levied on consumers who have installed their own solar systems to take advantage of the net metering system, he has approached the Commission. He took the decision to install SPV system on net metering when there was Single Part Tariff, guided by the consideration that he could save as much as he could by boosting his Solar Generation. He could bring his bills to almost zero by meeting his total consumption from Solar Power. But with the introduction of fixed charges, he is bound to pay a large

amount every month irrespective of his solar generation. Had Fixed Charges been there at the time of installing SPV system, he would have decided against moving ahead with the project.

- d) That introduction of Two Part Tariff involving Fixed Charges in case of Solar Power Consumers is contrary to the State Policy of Promotion of Co-Generation and Generation of Electricity from renewable sources of energy as envisaged under Section 61 (b) and (d) of the Electricity Act, 2003. The levy of fixed charges on solar power consumers based on net metering escaped the notice of the Commission while determining Tariff for this category of consumers. This difficulty can be solved by the Commission by reverting to a suitable modified single part tariff or by exempting the existing solar power consumers from levy of Fixed Charges.

### **3. Observations and Decision of the Commission**

The Commission observes that the petition has been filed under Regulation 18 (Removal of difficulties) of the PSERC (Grid Interactive Rooftop Solar Photo Voltaic Systems based on Net Metering) Regulations, 2015. However, the prayer of the petitioner pertains to exemption from levy of Fixed Charges applicable under the Two Part Tariff. As the Two Part Tariff structure has been implemented by the Commission w.e.f. 1.01.2018 in the Tariff Order for FY 2017-18, the petition tantamounts to a review of the said Order and was required to be filed under Regulation 64 of PSERC (Conduct of Business) Regulations, 2005. Since the Tariff Order for FY 2017-18 was issued on 23.10.2017 read with Order



dated 09.11.2017, review of the same at this stage is also not permissible as the limitation period prescribed for the same has expired. A person aggrieved by a decision or Order of the Commission, can apply for review of such order within 60 days of the date of decision/ Order of the Commission. The petitioner during the hearing for admission on 07.08.2019 could not submit any justification/provision of law to justify the admissibility of the instant petition.

Without prejudice to the above, the Commission observes that the Two Part Tariff structure was implemented in the State in the Tariff Order of FY 2017-18 with the following observations:

*“.....Basically the proposed Two-Part Tariff structure is a breakup of the existing single part tariff structure/including MMC into Two Part Tariff comprising of fixed (Load/Demand) charges & Energy charges in order to ensure predictable recovery of fixed costs commitment of the Utility, which are to be incurred to meet the demand of its consumers on one hand, and to reduce the marginal cost of energy charges to the consumers, on other hand.*

*Further, the Commission also needs to be mindful of National Tariff Policy which enjoins an early introduction of the Two Part Tariff. Punjab is one of only a few states which have not yet introduced Two-Part Tariffs so far any category of consumers. The matter has been under consideration and in public domain since 2013-14, during which period, adequate opportunities have been provided to the stakeholders to express their views on the Two Part Tariff structure...”*

The Commission notes that the underlying purpose of the Two Part Tariff is to ensure recovery of fixed cost of the Utility. The petitioner during the hearing on 07.08.2019 also agreed that he is connected to PSPCL's infrastructure and is using its line and transformer for injection/drawl of power and therefore PSPCL is incurring a fixed cost to provide power to him irrespective of his consumption.

Further, Regulation 11 of the PSERC (Grid Interactive Rooftop Solar Photo Voltaic Systems based on Net Metering), Regulations, 2015 provide that, all the rules & regulations (including tariff) applicable to the consumers of the distribution licensee for the relevant category shall also be applicable to the eligible consumer who uses the rooftop solar system under net metering.

The petition is thus not fit to be admitted and is dismissed.

Sd/-  
**(Anjuli Chandra)**  
**Member**

Sd/-  
**(S.S. Sarna)**  
**Member**

Sd/-  
**(Kusumjit Sidhu)**  
**Chairperson**

Chandigarh  
Dated: **06.09.2019**