

## UTTAR PRADESH ELECTRICITY REGULATORY COMMISSION

### (Draft Captive and Renewable Energy Generating Plants) Regulations - 2014

Sl. No.	Description	Summary
1.	<b>Short title, extent and commencement.</b>	(i) Uttar Pradesh Electricity Regulatory Commission (Captive and Renewable Energy Generating Plants) Regulations – 2014. (ii) To come into force from 1 April, 2014 and shall remain in force up to 31 <sup>st</sup> March 2019, unless reviewed earlier or extended by the Commission.
2.	<b>Scope and extent of application</b>	(i) These Regulations shall apply to Captive generation and renewable sources for generation and co-generation. (ii) The provisions of ABT shall apply to Generating Plants also unless provided otherwise. (iii) For generating plants commissioned on or after 1-4-2009 where the generating company has adopted CDM, the proceeds of CDM shall be shared as under: (a) 100% gross proceeds on account of CDM be retained by the project developer during the first year of commercial operating of the generating plants. (b) During second year of commercial operation, the share of the beneficiaries shall be 10% which shall progressively increase by 10% every year till it reaches 50% where after the proceeds, shall be shared in equal proportion by the generating company and beneficiary.
3.	<b>Tariff determination</b>	Applicable to the capacities or the units in respect of which agreement has been reached between the parties for supply of electricity.
4.	<b>Tariff for renewable energy based generating plants</b>	(i) A generic tariff for RE based generating plants other than Bagasse Based Generation and Co-generation Plants, Biomass (rice husk based) generation plants, Municipal Solid Based Generation Plants, Small Hydro Plants and Solar Power Generation Plants ( Solar Thermal, Solar Grid Connected PV and Rooftop Solar) is given in scheduled-II (F) of these regulations. (ii) Tariff for RE Plants other than covered under these Regulations may be determined by the Commission on receipt of application for this purpose. (iii) Tariff given in schedule II(F) shall also be applicable to generating plants based on non-conventional sources of energy (other than RE Sources recognized by MNRE and covered under these Regulations) Commissioned prior to 01-04-2014 and for whom tariff was earlier determined as per the prevailing regulations. (iv) In case of fossil fuel based co-generation plants, tariff may be determined by the Commission on a case to case basis.
5	<b>Approval of Power Purchase Agreement</b>	The Distribution Licensee shall make an application for approval of PPA entered into with the generating plant as prescribed in these Regulations.
6	<b>Definitions</b>	As per Regulations
7	<b>General Power to Amend</b>	Vested with the Commission
8	<b>Power to Relax</b>	Vested with the Commission
<b>CAPTIVE POWER GENERATION</b>		
9	<b>Object</b>	Supply of electricity from a Captive Generating Plant through the grid shall be regulated in the same manner as the generating station of a Generating Company.
10	<b>Generation from Captive Power Plants</b>	In case the minimum percentage of captive use is not complied within any year, the entire electricity generated shall be treated as if it is a supply of electricity by a generating company.

<b>11</b>	<b>General conditions for Captive Generating Plants</b>	(i) To apply to all existing Captive Generating Plants as well as proposed Captive Generating Plants having an installed capacity of 1 MW or above irrespective of their connectivity with the grid. (ii) All provisions of these Regulations except for those relating to supply in the grid and tariff shall also apply to the captive plant having no connectivity with the grid.
<b>12</b>	<b>Obligations of the Captive Generating Plant</b>	The captive generating plant shall establish, operate and maintain generating station, sub-station, tie lines and dedicated transmission lines connected there to in accordance with technical standards and safety standards of the Authority, U.P. Electricity Grid Code (UPEGC) or Indian Electricity Grid Code (IEGC).
<b>13</b>	<b>Duties of the Captive Generating Plant</b>	The captive generating plant shall generate electricity primarily for its own use and shall submit the technical details regarding its generating stations to the appropriate commission and the Authority. Plant shall not be required to obtain license for establishing, operating or maintaining a dedicated transmission line. Plant shall ensure that Distribution Licensee has submitted PPA to commission for approval.
<b>14</b>	<b>Open Access</b>	A captive generating plant shall have the right to 'Open access' for carrying electricity to the destination of its use by using transmission and distribution system as per rules of the Commission
<b>15</b>	<b>Transmission charges and wheeling charges</b>	The plant or the Consumer seeking 'open access' to the State and/or interstate transmission systems/or distribution system for carrying the electricity to the destination of use, shall pay charges for use of such facilities as determined by the Appropriate Commission (s).
<b>16</b>	<b>Surcharge and Additional Surcharge</b>	(i) A captive power plant shall not be liable to pay surcharge over and above transmission and/or wheeling charges for its own use or for the use of its members. (ii) In case of supply to a consumer or to a person other than its members such person or consumer shall pay surcharge over and above transmission and wheeling charges. (iii) Open access consumer receiving supply of electricity from a person other than the Distribution Licensee of his area of supply shall pay an additional surcharge over and above transmission and/or wheeling charges and surcharge.
<b>17</b>	<b>Sale of Power</b>	(i) A captive power plant may enter into an agreement with the Distribution Licensee for sale of its surplus capacity based on Model PPA with changes to be approved by the Commission. (ii) The plant may also supply electricity to a consumer who is permitted open access as per provisions of Open Access Regulations. (iii) Generating plant may supply to distribution licensee in case of emergency at mutually agreed tariff.
<b>18</b>	<b>Tariff</b>	(i) The tariff for supply of electricity by a plant at pit head location to a Distribution Licensee shall be as per Schedule-I of these Regulations. (ii) The Commission shall approve the transportation cost of fuel for non pit head locations on case to case basis on a petition by the Generating Plant.
<b>19</b>	<b>Purchase of Electricity</b>	(i) A generating plant may purchase electricity in case of shut down, from a Generating Company or Distribution Licensee, at tariff as per applicable category. This shall apply only to those generators who have entered in to PPA with Distribution Licensee. (ii) The tariff payable by a captive plant to a Distribution Licensee in case of banking of energy shall be as per Regulation 40 (2) if that plant has an arrangement of banking of energy with such Distribution Licensee.
<b>20</b>	<b>Capacity of the Plant &amp; Location</b>	The capacity of the plant shall be based on the need of a person intending to establish a Captive Generating Plant for which fuel linkages shall be obtained.
<b>21</b>	<b>Environmental Clearance</b>	The Captive Generating Plant owner shall abide by the emission standards set by the Union/State Government and have to obtain all required clearances..

<b>RENEWABLE ENERGY SOURCE BASED GENERATION and CO-GENERATION</b>		
<b>22</b>	<b>Object</b>	<p>(i) These Regulations seek to achieve promotion of generation of electricity from RE sources based generation facilitate connectivity of RE sources based power plants with the grid, ensure sale of electricity to any person and specify a percentage of the total electricity generated from Renewable Sources that shall be purchased by Distribution Licensee of the area in which the plant is located.</p> <p>(ii) The provisions of ABT shall be implemented.</p>
<b>23</b>	<b>Renewable Energy Source based Generation and Co-generation</b>	A person may construct, maintain and operate Generating Plant and a dedicated transmission line for generation and evacuation of electricity from RE source based generation. Distribution Licensee shall purchase power from these sources through competitive bidding.
<b>24</b>	<b>General conditions for Renewable Energy sources based Generation</b>	<p>These Regulations shall apply to</p> <p>(i) All the generating stations existing prior to 01-04-2014 generating electricity from RE source based generation in U.P. as on the date of notification of these Regulations irrespective of their connectivity with the grid or distribution system.</p> <p>(ii) All new projects to be commissioned after 01-04-2014.</p> <p>(iii) These Regulations shall apply to RE plants subject to fulfillment of eligibility criteria specified in Regulation 25.</p> <p>(iv) Where RE projects decide to adopt REC mechanism pricing for such projects shall be governed by UPERC Regulations.</p>
<b>25</b>	<b>Eligibility of Renewable Energy Generating Plants</b>	<p>(i) Small Hydro Project – Small Hydro projects existing and to be commissioned subsequent to notification of these Regulations and located at the sites approved by State Nodal Agency/State Govt. using new plant and machinery and with installed capacity lower than or equal to 25 MW at single location.</p> <p>(ii) Biomass power Project - Biomass power project (s) existing and to be commissioned subsequent to notification of these Regulations and using new plant and machinery based on Ranking Cycle technology and using biomass fuel sources.</p> <p>(iii) Bagasse based generation and Co-generation Project-- Bagasse based generation and Co-generation Projects existing and to be commissioned subsequent to notification of these Regulations and using new plant and machinery shall qualify if it meets the qualifying requirement outlined below Topping cycle mode of co-generation—Any facility that uses Bagasse fuel input for power generation and also utilizes the thermal energy generated for useful heat applications in other industrial activities simultaneously. Provided that for the co-generation facility to qualify under topping cycle mode, the sum of useful power output and one half the useful thermal output should be greater than 45% of the facility's energy consumption, during season.</p> <p>(iv) Solar PV. Solar Thermal , Solar rooftop PV systems and other small Solar Power Projects –Based on Technologies approved by MNRE.</p> <p>(v) Municipal waste based Power Plants -- Based on Technologies approved by MNRE.</p>
<b>26</b>	<b>Capacity of Renewable Energy Generating Plants</b>	<p>(i) The optimum capacity of Generating Plant shall be assessed by the Generating Company in the detailed project report in view of potential of electricity generation available with such source.</p> <p>(ii) Any person intending to set-up a RE source based Generating Plant shall submit the detailed project report, scheduled date of commercial operation and half yearly progress report of construction of the plant to the Commission for information and record.</p>
<b>27</b>	<b>Environmental and other Clearances</b>	The Generating Plant shall abide by the emission standards, as the case may be, set by the Union/State Government and for that purpose it shall obtain all the required environmental and pollution clearances from the Central / State pollution control authorities and submit copies of Clearance Certificates to the Commission.
<b>28</b>	<b>Obligations of Renewable Energy Generating Plants</b>	<p>(i) The Generating Plant shall establish, operate and maintain Generating Station, sub-station and dedicated transmission lines connected therewith in accordance with the technical standards, Safety requirements, as per applicable guidelines and codes.</p> <p>(ii) The Generating Plant shall enter into a Power Purchase Agreement with the Distribution Licensee of the area in which the plant is located for a period of 20 years from the date of its commissioning, in line with the Model Power Purchase Agreement.</p>

29	<b>Duties of Renewable Energy based Generating Plants</b>	The Generating Plant shall submit the technical details regarding its Generating Stations to the Appropriate Commission and the Authority.
30	<b>Sale of Power</b>	All RE source based generating plants shall be allowed to sell power, to the Distribution Licensee in whose area the plant is located at the rate specified in Schedule II: Provided that purchases under these Regulations, may be referred to as Renewable Purchase Obligation 'RPO', shall be restricted to quantum as specified under terms and conditions of the UPERC (Promotion of Green Energy through Renewable Purchase Obligation) Regulations,2010. Provided further that the plant shall be allowed to sell the power available after sale to the concerned Distribution Licensee to any other Licensee or a consumer at mutually agreed rate.
31	<b>Tariff</b>	The tariff for supply of electricity by the RE source based generating plant to a Distribution Licensee shall be as per Schedule II of these Regulations.
32	<b>Open Access</b>	A Generating Plant shall have right to 'open access' for carrying electricity from its plant to the destination of its use by using transmission and / or distribution system or associated facilities with such lines or system and for that purpose, Rules, Regulations and Orders passed by the Appropriate Commission shall apply.
33	<b>Transmission Charges and Wheeling Charges</b>	The plant or the consumer, seeking 'open access' to the State and / or Inter State Transmission Systems and / or distribution system for carrying the electricity generated by it to the destination of use, shall pay the transmission charges, wheeling charges and such other charges for use of such facilities as determined by the Appropriate Commission(s).
34	<b>Surcharge and Additional Surcharge</b>	A person, having established a Generating Plant shall be liable to pay surcharge and additional surcharge if it seeks open access for the transmission/wheeling of electricity from his Plant to a destination for consumption of power for his own use. In case, the power is supplied to a consumer then such consumer shall pay surcharge and the additional surcharge determined by the Commission. Surcharge and Additional Surcharge shall be over and above transmission and / or wheeling charges.
35	Purchase of Electricity by the Plant	Any person, who establishes, maintains and operates a Generating Plant, may purchase electricity from a Generating Company or Distribution Licensee in case his plant is not in a position to generate electricity to meet the requirement in the event of emergency or shut down or maintenance of the plant including supply to township housing the operating staff.
<b>COMMON TERMS AND CONDITIONS</b>		
36	<b>Evacuation of Power</b>	<p>(i) The Generating Plant shall supply power to the Distribution Licensee of its area through a 33 kV or higher voltage line terminating at the nearest 132 kV Sub-station as per the voltage and capacity as given below:</p> <ul style="list-style-type: none"> <li>(a) Installed capacity upto 1 MW on 11 kV</li> <li>(b) installed capacity upto 10 MW on 33 kV</li> <li>(c) installed capacity above 10 MW on 132 kV</li> </ul> <p>Provided that rooftop Solar PV projects upto 5 kW evacuation of power shall be allowed at single phase connection. Provided that rooftop Solar PV projects greater than 5 kW and upto 50 kW evacuation of power shall be allowed at 415V.</p> <p>(ii) The plant shall be responsible for construction of the evacuation system for connecting its plant with the substation of the Distribution Licensee or STU / any Transmission Licensee, as per the scheme approved by the Commission in PPA, of its own or through any other agency engaged for that purpose. The cost of laying the dedicated transmission line to the substation, the required bays, associated terminal equipment and synchronization equipment shall be borne by the Generating Plant and such works shall be undertaken under approval and supervision of the Licensee / STU or any Transmission Licensee of the area in which the plant is located.</p> <p>Provided further that in case of Solar, Wind and small Hydro based power plants, as a promotional measure, the grid connectivity at approved voltage shall be provided by the Distribution Licensee and the total cost on construction of sub-station and transmission line including bay etc. shall be borne by Distribution Licensee of the area.</p>

37	<b>Maintenance of Transmission lines and Equipment</b>	<p>(i) The Generating Plant shall be responsible for the maintenance of terminal equipment at the generating end and the dedicated transmission lines. However, Distribution Licensees or STU, as the case may be, shall carry maintenance of the dedicated transmission line if so desired by the Generating Company on mutually agreed charges.</p> <p>(ii) The Distribution Licensee or the Transmission Licensee or the State Transmission Utility, as the case may be, shall be responsible for maintenance of the terminal equipment(s) at the sub-station of the concerned Licensee.</p> <p>(iii) In case of Solar, Wind and small Hydro based power plants, total cost on maintenance of substation and transmission line including bay etc. shall be borne by Distribution Licensee or STU / any other Transmission Licensee, as the case may be.</p>
38	<b>Metering Arrangement</b>	<p>The Generating Plant shall provide ABT compatible Special Energy Meters at the point of injection and point of drawl and shall comply with all metering requirements as notified by the State Transmission Utility.</p> <p>Provided that in case of Solar and wind based Generating Plants the entire cost on metering shall be borne by the Licensee.</p>
39	<b>Energy Accounting and Billing</b>	<p>The State Load Despatch Centre shall do energy accounting and billing and the same shall be communicated to the utilities interacting with the grid as per the scheme framed by SLDC in pursuance of the provisions of UPERC Regulations.</p>
40	<b>Banking of Power</b>	<p>(i) Renewable Energy source based Generation and Co-Generation Plants: The Generating Plants shall be allowed to bank power, for the purpose of withdrawal of the banked power in the event of emergency or shut down or maintenance of the plant. Withdrawal of power shall be allowed during the period other than 17:00 Hrs. to 22:00 Hrs, specified as peak hours.</p> <p>(ii) Banking charges shall be 12.5% of the energy banked Provided that in case of grid connected solar energy based generating stations the banking charges shall be 6% of the energy banked.</p> <p>(iii) Captive Generating Plants: Captive Generating Plants shall be allowed banking subject to following conditions: The withdrawal of banked energy, subject to deduction of banking charges of 12.5%, shall be allowed during the period other than peak hours.</p>
41	<b>Payment Mechanism</b>	<p>For payment of bills made through a letter of credit within a period of one month of presentation of bill for supplied power, a rebate of 2% shall be allowed. If the payments are made by a mode other than through a letter of credit but within a period of one month of presentation of bill, a rebate of 1% shall be allowed. In case the payment of bills for supplied power is delayed beyond a period of 2 months from the date of billing, a late payment surcharge at the rate of 1.25% per month shall be levied by the Generating Company.</p>
42	<b>Miscellaneous Provisions</b>	<p>In case of any inconsistency in these Regulations with the provisions of the Act, as amended from time to time, the provisions of the Act shall have the overriding effect.</p>
43	<b>Repeal</b>	<p>UPERC CNCE Regulations, 09 shall stand repealed with effective date of these Regulations.</p>