

Ref. RE/Rooftop/Cogen/ No 0 8 6 9 8

Date: 18 MAR 2024

RENEWABLE ENERGY CIRCULAR No. 10

Sub: Installation of Rooftop Solar in the premises of Sugar factories having EPA/PPA with MSEDCL for their Bagasse based Cogeneration plant.

Ref: 1. MERC order dated 11.01.2022 (Case No. 129 of 2021)
2. MERC order dated 21.07.2022 (Case No. 40 of 2022)

MERC vide orders under reference has issued guidelines regarding installation of Rooftop Solar in the premises of Sugar factories having EPA/PPA with MSEDCL for their Bagasse based Cogeneration plant

The guidelines for implementing the MERC order dated 21.07.2022 recognizing the operating and non-operating period of Sugar Factory are as under:

1. The Sugar Factories having energy/ power purchase agreement (EPA/PPA) with MSEDCL for bagasse-based cogeneration plants shall submit application to Chief Engineer (Renewable Energy) regarding installation of grid connected Rooftop Solar in their premises.
2. After grant of approval from Renewable Energy Section, the sugar factories have to apply online through MSEDCL's "Solar Rooftop Portal" for installation of grid connected Rooftop Solar in their premises.
3. The sugar factory shall comply with all the documents as mentioned in the "Solar Rooftop Portal". The field offices of MSEDCL shall process the application of sugar factory as per its existing practice w.r.t. net metering arrangement of rooftop solar plants.
4. The sugar factory shall provide Generation Meter with Automated Meter Reading (AMR) feature at each Renewable Energy source (i.e. co-gen plant & Solar plant) as per CEA specification. The concerned Superintending Engineer (TQA), will issue the specifications for metering arrangement (including Generator meter for each Renewable Energy source) & shall verify evacuation metering according to CEA Metering Regulations & MSEDCL policies. The Solar generation meter shall be installed at same voltage level as that of co-gen generation meter voltage level. The Generation meters shall be tested at MSEDCL testing lab before installation. The meters shall be sealed properly and routine testing shall be carried out as per Procedure. The Provisions of MERC Regulations (Grid Interactive Rooftop Renewable Energy Generating Systems-2019 & Electricity Supply Code and Standards of Performance for Distribution Licensees, including Power Quality-2021) & their amendments will be applicable.

5. When the solar plant is ready for commissioning, the sugar factory shall have to submit application seeking synchronization to Chief Engineer (Renewable Energy).
6. The sugar factory operate in two modes viz operating (When there is generation from bagasse plant) and non operating mode (When there is generation from bagasse plant) for which the Sugar factory need to provide self-certification stating exact date on which its Cogen unit will shut down and restart. This certificate shall be uploaded on-line on NCE portal and MSEDCL shall issue on-line approval for the same.
7. Post commissioning of Solar Project, such project shall be treated as Hybrid Project during operating period of Sugar Factory and as 'net-metering' or 'net-billing arrangement as per the provisions in the Regulations during non-operating period.
8. Sugar Factory and MSEDCL shall enter into Amendment Agreement to existing EPA/PPA for including capacity of Solar Project to be commissioned and its commercial arrangement. The Director (Commercial), MSEDCL shall be the Competent Authority to execute such Amendment Agreement. The Amendment Agreement shall be executed after issuance of synchronization permission/ post commissioning of the solar plant.
9. Commercial arrangement for operating period of Sugar factory:
 - i. During operating period electricity generation from bagasse-based co-generation and solar PV project is available. Start date of Operating period will commence from date provided in certification by respective factory and approved by Renewable Energy Section, MSEDCL. During operating period generation facilities (Co-gen and Solar) will act as Hybrid RE source.
 - ii. Tariff for electricity generated from bagasse-based co-generation project is already stipulated in existing EPA. Recent discovered lowest Tariff by MSEDCL for similar size solar project (under PM KUSUM or MSKVY) shall be considered as Tariff for solar project to be commissioned by the Sugar Factory.
 - iii. Clause for computing weighted average tariff on monthly basis for operating period shall be included in the Amendment Agreement.
 - iv. Based on actual generation from each source of Renewable Energy, weighted average tariff for that month shall be computed and energy purchased during that month shall be paid at such weighted average tariff.
 - v. Weighted average tariff for each month will be different based on contribution of energy generation.
 - vi. The sugar factory shall have to submit the invoice during the operating period through online NCE SAP Portal.
 - vii. During the operating period, the sugar factory shall be continued to be billed at HT Industrial tariff as per existing practice.
10. Commercial arrangement for non-operating period of Sugar Factory:

- i. During non-operating period, only solar electricity generation is available. Depending upon installed capacity of solar project, such facility needs to be treated under 'net-metering' or 'net-billing arrangement. Date for commencement of non-operative period will be based on certification done by Sugar factory.
 - ii. Commercial mechanism for 'net-metering' or 'net-billing arrangement as stipulated in MERC (Grid Interactive Rooftop Renewable Energy Generating Systems) Regulations 2019 and its amendment shall be applicable for non-operating period only.
 - iii. Grid Support Charge (Rs. 0.72/kWh) determined in MYT Order dated 30 March 2020 or amended from time to time as per provisions of MERC (Grid Interactive Rooftop Renewable Energy Generating Systems) Regulations 2019 and its amendment shall be applicable on generated energy under net-metering arrangement.
 - iv. Un-utilized banked solar energy under net-metering arrangement at the end of non-operating period cannot be used during operating period and shall be settled at the end of financial year as per provisions of MERC (Grid Interactive Rooftop Renewable Energy Generating Systems) Regulations 2019 and its amendment.
11. In case the operating period start date is in mid of the month, then the full month is to be considered as operating period and the billing is to be done as per HT industrial tariff.

All the field officers are requested to take note of the above directives and take necessary action accordingly.


Chief Engineer (Renewable Energy)

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