## **Policy & Regulatory Updates**

May **2024** 



### Issued by Central Government & its organizations:

#### I. Ministry of New and Renewable Energy (MNRE)

## 1. PM Surya Ghar: Muft Bijili Yojana, Vendor Registration and Management Process.

07th May 2024

MNRE has circulated office memorandum for the process of Vendor Registration for installation of rooftop solar under PM Surya Ghar on the National Portal and the same is available on MNRE website.

The Government of India has approved the PM Surya Ghar: Muft Bijli Yojana on 29th February, 2024 to increase the share of solar rooftop capacity and empower residential households to generate their own electricity. The scheme has an outlay of Rs 75,021 crore and is to be implemented till FY 2026-27. The administrative approval was granted to the scheme vide Order No. 318/17/2024-Grid Connected Rooftop dated 16th March, 2024.

The scheme is to be implemented through the National Portal and it is receiving applications from DISCOM consumers for installation of rooftop solar since the date of launch of the scheme viz. 13th February, 2024. These installations are to be done by vendors registered on the National Portal.

#### Download link:

https://cdnbbsr.s3waas.gov.in/s3716e1b8c6cd17b771da77391355749f3/uploads/2024/05/2024 05081402271453.pdf

# 2. Domestic Content Requirement (DCR) under Solar PV power projects under MNRE's Schemes/Programs: Clarification-reg.

09th May 2024

A clarification is issued by MNRE related to the schemes/programmes being implemented by MNRE, wherein Domestic Content Requirement (DCR) mandates use of domestically manufactured solar PV cells and domestically manufactured solar PV modules.

As per Office Memorandum, Eligibility for Thin Film Solar PV Modules manufactured in integrated factory of First Solar (FS India Solar Ventures Private Limited) in India are eligible for deployment in projects under MNRE's Schemes/Programmes where the Domestic Content Requirement (DCR) provisions mandate deployment of domestically manufactured solar PV modules which are made using domestically manufactured solar PV cells

#### Download link:

https://cdnbbsr.s3waas.gov.in/s3716e1b8c6cd17b771da77391355749f3/uploads/2024/05/202405101573849081.pdf

# 3. Approved Models and Manufacturers of Solar Photovoltaic Modules (Requirements for Compulsory Registration) Order, 2019: Clarification – reg.

20th May 2024

MNRE has issued Office Memorandum pertaining to Approved Models and Manufacturers of Solar Photovoltaic Modules (Requirements for Compulsory Registration) Order, 2019 and subsequent amendments & clarification thereto and Guidelines for enlistment under the said Order, following was mentioned:

"ALMM Order in respect of List - I (Modules) or List - II (Cells) shall be applicable only on the projects for which the bids are concluded after 30 days of publication of such List. Accordingly, ALMM order in respect of List I (Modules) shall be applicable on all such bids whose last date of bid submission is on or after 10.04.2021."

It is once again reiterated that ALMM order in respect of List I (Modules) shall be applicable on all such bids whose last date of bid submission is on or after 10.04.2021. i.e. Projects where last date of bid submission was prior to 10.04.2021, ALMM order in respect of List I (Modules) shall not be applicable.

#### Download link:

https://cdnbbsr.s3waas.gov.in/s3716e1b8c6cd17b771da77391355749f3/uploads/2024/05/20240520161 3154184.pdf 4. Exemption from ALMM requirements for Renewable Energy plants located inside a Special Economic Zone (SEZ) or Export Oriented Unit (EOU) and' supplying power exclusively for production plants of Green Hydrogen (or its derivatives), which are located inside an SEZ or set up as an EOU (either same or different SEZ/EOU)- reg.

27th May 2024

MNRE has issued Office Memorandum for Exemption from purview of ALMM requirements for Solar PV modules for Renewable Energy plants located inside a Special Economic Zone (SEZ) or Export Oriented Unit (EOU) and supplying power exclusively for production plants of Green Hydrogen (or its derivatives), which are located inside an SEZ or set up as an BOU (either the same or different SEZ/EOU).

The aforesaid exemption from ALMM will be applicable for all such Renewable Energy plants which satisfy all the above mentioned criteria and are commissioned by 31<sup>st</sup> December 2030.

#### Download link:

https://cdnbbsr.s3waas.gov.in/s3716e1b8c6cd17b771da77391355749f3/uploads/2024/05/20240520161 3154184.pdf

5. Exemption from RLMM requirements for Renewable Energy plants located inside an Special Economic Zone (SEZ) or Export Oriented Unit (EOU) and supplying power exclusively for Green Hydrogen (or its derivatives) production plants which are located inside an SEZ or set up as an EOU (either same or different SEZ/EOU)-reg.

27th May 2024

MNRE has issued Office Memorandum for Exemption from purview of Revised List of Model & Manufacturers(RLLM) for Wind Turbine Models from Renewable Energy plants located inside an Special Economic Zone (SEZ) or Export Oriented Unit (EOU) and supplying power exclusively for production plants of Green Hydrogen (or its derivatives), which are located inside an SEZ or set up as an EOU (either same or different SEZ/EOU).

The aforesaid exemption from RLLM will be applicable for all such Renewable Energy plants which satisfy all the above mentioned criteria and are commissioned by 31<sup>st</sup> December 2030.

#### Download link:

https://cdnbbsr.s3waas.gov.in/s3716e1b8c6cd17b771da77391355749f3/uploads/2024/05/20240528329 354715.pdf

## 6. Constitution of Mission Directorate for the Implementation of PM-Surya Ghar: Muft Bijli Yojana.

29th May 2024

A Mission Directorate is constituted within the Ministry of New and Renewable Energy to ensure the achievement of the aims of the scheme(PM-Surya Ghar: Muft Bijli Yojana) and to oversee the day to day operations of the scheme implementation.

#### Download link:

https://cdnbbsr.s3waas.gov.in/s3716e1b8c6cd17b771da77391355749f3/uploads/2024/05/20240531110 5346776.pdf

#### **II.** Ministry of Power (MoP)

# 1. Clarification to Revised Policy for Biomass Utilization for Power Generation through Co-firing in Coal based Power Plants issued on 08.10.2021 - reg.

14th May 2024

Ministry of Power had issued a Revised Policy for Biomass Utilization for power Generation through Co-firing in Coal based Power Plants, vide letter dated 08.10.2021 which included the provisions related to tariff determination.

Power plants with provision for fuel cost pass through in their Power Purchase Agreement (PPA) signed under Section 63 of Electricity Act, 2003 (such as Case-2 Scenario 4 plant), have raised concerns regarding the Para 3 (viii) (b) of MoP's revised biomass policy dated 08.10.2021.

Para 3 (viii) (b) of the policy specifies that for projects set up under Section 63 of the Electricity Act 2003, the increase in Energy Charge Rate (ECR) due to biomass co-firing can be claimed under Change in Law provisions. However, PPA clause on Change in Law stipulate that compensation shall be payable only if cost to the seller (power plant) is in excess of an amount equivalent to 1% of the Letter of Credit in aggregate for a contract year. These provisions are posing challenges for these plants.

The matter has been examined in the Ministry and it is clarified that for the projects established through competitive bidding under Section 63 (such as Case-2, Scenario-4) wherein 'fuel cost pass through' is provided in their PPA, the cost of biomass pellets shall also be pass through in the Energy Charge Rate.

#### Download link:

https://powermin.gov.in/sites/default/files/webform/notices/Clarification\_to\_Revised\_Policy\_for\_Biom\_ass\_Utilization\_for\_Power.pdf

#### **III. Central Electricity Regulatory Commission**

# 1. Central Electricity Regulatory Commission (Procedure, Terms and Conditions for grant of Transmission License and other related matters) Regulations, 2024.

23<sup>rd</sup> May 2024

Central Electricity Regulatory Commission has notified Procedure, Terms and Conditions for grant of Transmission License and other related matters Regulations, 2024 on dated 23.05.2024 and uploaded on the website.

Download link: <a href="https://www.cercind.gov.in/regulations/Noti23.pdf">https://www.cercind.gov.in/regulations/Noti23.pdf</a>

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## **CERC** issued Staff Paper on Regulatory Oversight on Bidding Behaviour in Power Exchanges.

The paper discusses the current price discovery mechanism in collective transactions, analyses the bidding behavior of the market participants and proposes mechanisms for screening of buy and sell bids.

https://www.cercind.gov.in/2024/Approach\_paper/Staff%20Paper%20on%20Regulatory%20Oversight%20on%20Bidding%20Behaviour%20in%20Power%20Exchanges.pdf

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## CERC issued Staff Paper on Methodology for Transition from Six Monthly Escalation Rates to Monthly Escalation Rates for Imported Coal.

The paper discusses the present methodology for the computation and application of the escalation rates and provides various options for addressing the transition/switchover from six monthly escalation rates to monthly escalation rates.

https://www.cercind.gov.in/2024/Approach\_paper/S1.pdf

#### IV. Central Electricity Authority

## 1. Testing of carbon fibre composite (CFC) core of HTLS conductors.

21st May 2024

It has been brought to the notice that a few of the procuring entities/ utilities in the power sector have been stipulating in their tenders for High Temperature Low Sag (HTLS) conductors with CFC core a requirement of "salt spray test" on these conductors in lieu of the mandatory "Galvanic Protection Barrier Layer Thickness Test" for determining the efficacy of the galvanic protection layer on the carbon fibre composite core to protect CFC against the galvanic corrosion.

In this regard, the appropriate test for the determination of the Galvanic Protection Barrier Layer thickness is the test to be performed as per the procedure laid down in the ASTM B987 standard. Salt spray test has no correlation with the determination of the thickness of galvanic protection barrier layer on the CFC core in the HTLS conductors.

All procuring utilities/ organizations/ users in the power sector are hereby advised to stipulate in their tenders for HTLS conductors the requirement of "Galvanic Protection Barrier Layer Thickness Test" as one of the mandatory tests as per the procedure laid down in the ASTM B987 or any other published national or international standards for the core including single-strand or multi-strand carbon fibre composite cores for HTLS overhead conductors, and in any case "salt spray test" shall not be used as a substitute for "Galvanic Protection Barrier Layer Thickness Test".

In this context, all previous advisories and communications issued by CEA stand superseded by this advisory with immediate effect.

Download link: <a href="https://cea.nic.in/wp-content/uploads/notification/2024/05/CFC\_HTLS.pdf">https://cea.nic.in/wp-content/uploads/notification/2024/05/CFC\_HTLS.pdf</a>

2. Report on Finalisation of Opening and Closing time ranges of guide vane during turbine and pumping modes of operation in Pumped Storage Plants.

08<sup>th</sup> May 2024

A Committee under the chair of Member (Hydro), CEA having representatives from CWC, Original Equipment Manufacturers (OEMs) and Developers was constituted by the Competent Authority vide CEA OM dated 30.10.2023 with following Terms of References (ToRs):

- 1. Defining the operating conditions while carrying out Transient Analysis in both the modes of operation (i.e. turbine and pumping mode), during load rejection & load acceptance in both modes of operations of PSPs, such as single/ multiple unit(s) starting/ stopping etc.
- 2. Finalization of opening and closing time ranges of Guide Vane to keep the speed rise & pressure rise in limits, as envisaged in relevant Indian Standard.
- 3. Any other issue/ agenda with the consent of members of the committee

Accordingly, The report on finalisation of Opening and Closing time ranges of guide vane during turbine and pumping modes of operation in Pumped Storage Plants was published on CEA website on 08.05.2023.

Download link: <a href="https://cea.nic.in/wp-content/uploads/he">https://cea.nic.in/wp-content/uploads/he</a> td/2024/05/Report.pdf

## 3. Revised Guidelines for Retirement & Up-rating/De-rating of Generating Unit(s)

17th May 2024

Improving efficiency of thermal power stations is one of the effective method to reduce CO2 emissions, which is being achieved by various schemes introduced by the Government of India such as adopting super critical/ultra super critical technology for coal-based generation. Also efficiency improvement measures through Renovation and Modernization (R&M) of old and inefficient units is being undertaken and units in which R&M is not possible are being considered for retirement.

The Central Electricity Authority (CEA) is discharging the work entrusted for Retirement and De-rating / Up-rating of generating units in the Country and also to prepare guidelines thereof. The Standing Committee under the chairmanship of Member (Planning), CEA examines the proposals received from the generating companies/utilities for Retirement or Up-rating or Derating, as the case may be, of generating units and give its recommendation for the Retirement/Up-rating/ De-rating of Generating Units.

The revised guidelines shall be applicable to the conventional sources of electricity generation i.e. Coal/Lignite, Diesel, Gas based power plants and Large Hydroelectric plants (above 25 MW), for their retirement, uprating & derating of generating units.

#### Download link:

https://cea.nic.in/wp-

content/uploads/notification/2024/05/Revised Guidelines retirement uprating derating.pdf



### Issued by State Governments & their organizations:

#### I. Himachal Pradesh Electricity Regulatory Commission

1. Himachal Pradesh **Electricity** Regulatory **Commission** (Deviation Settlement Mechanism and Related Matters) Regulations, 2024.

20th May 2024

**Download link:** https://hperc.org/new1/File1/fdsm2024.pdf

#### II. Meghalaya State Electricity Regulatory Commission

09th May 2024 Commission 1. Meghalaya State **Electricity** Regulatory (Framework for Resource Adequacy) Regulations, 2023. Download

link: https://mserc.gov.in/regulations/2024/MSERC\_Framework\_ResourceAdequacy\_2023.pdf

09th May 2024 2. Meghalaya State Electricity Regulatory Commission (Terms and Conditions of Green Energy Open Access) Regulations, 2023. **Download link:** https://mserc.gov.in/regulations/2024/MSERC\_GreenEnergy\_2023.pdf

#### III. Andhra Pradesh Electricity Regulatory Commission

1. Andhra Pradesh Electricity Regulatory Commission (Green 01st May 2024 Energy Open Access, Charges, and Banking ) Regulation, 2024 Download link: https://aperc.gov.in/admin/upload/Orderdated01052024GEOAREGULATION.pdf

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