

**JOINT ELECTRICITY REGULATORY COMMISSION  
(FOR THE STATE OF GOA AND UNION TERRITORIES)  
GURUGRAM**

**CORAM**

Sh. Alok Tandon, Chairperson  
Smt. Jyoti Prasad, Member (Law)  
Date of Order: 08.07.2024

**In the matter of:**

Suo-moto determination of tariff for the green energy under the Electricity (Promoting Renewable Energy through Green Energy Open Access) Rules, 2022 (as amended from time to time) for the Union Territory of Puducherry.

**ORDER**

1. The Ministry of Power, Government of India vide its notification dated 6<sup>th</sup> June, 2022 (G.S.R. 418(E)) notified the “Electricity (Promoting Renewable Energy Through Green Energy Open Access) Rules, 2022 (Rules, 2022)” followed by subsequent amendments dated 27<sup>th</sup> January, 2023 (G.S.R. 59(E)) and 23<sup>rd</sup> May, 2023 (G.S.R. 381(E)) (hereinafter referred to as the ‘Rules, 2022’ or ‘Rules’).
2. The said Rules provide an option to the consumers to avail supply exclusively of green energy (in place of normal mix energy) from its DISCOM at a green tariff determined separately by the Appropriate Commission, comprising of the average pooled power purchase cost of the renewable energy, cross-subsidy charges if any, and service charges covering the prudent cost of the DISCOM for providing the green energy. The relevant extract of Rules, 2022 (Rule 4(2)(C)(c)) is as under:  
  
*“The tariff for the green energy shall be determined separately by the Appropriate Commission, which shall comprise of the average pooled power purchase cost of the renewable energy, cross-subsidy charges if any, and service charges covering the prudent cost of the distribution licensee for providing the green energy;”*
3. Accordingly, the Commission issued the draft discussion paper on the determination of green energy tariff for FY 2023-24 for the Puducherry Electricity Department, (ED, Puducherry) on 24.01.2024 inviting comments/suggestions/objections from the Stakeholders and Public with the last date of furnishing comments as 13.02.2024 which was further extended to 04.03.2024. No comment was received from the general Public, Consumers, and the Puducherry Electricity Department.

4. Accordingly, in accordance with the Electricity (Promoting Renewable Energy Through Green Energy Open Access) Rules, 2022 (as amended from time to time), the Commission has determined the green energy tariff for FY 2024-25 as under:

**(a) Average Pooled Power Purchase Cost of Renewable Energy:**

The Average Pooled Power Purchase cost of Renewable Energy (RE) Sources for ED, Puducherry has been worked out based on the power purchase cost of the renewable energy sources as approved in the Tariff Order for FY 2024-25 as shown in the table below:-

**Table 1:- Average Pooled Power Purchase of RE Sources**

Particulars	Unit	Value
Power Purchase Cost of RE Sources	Rs. Crore	205.40
Quantum of RE Source	MUs	737.56
<b>Weighted Average Pooled Power Purchase Cost of RE Sources</b>	<b>Rs./kWh</b>	<b>2.78</b>

**(b) Landed Cost of Renewable Energy:**

The landed cost of Renewable Energy has been worked out considering the weighted average pooled power purchase Cost of Renewable Energy Sources grossed up by the Intra-State Transmission and Distribution Losses and by adding the Intra-State Transmission Charges. The computation of the landed cost of Renewable Energy for ED, Puducherry is shown in the table below:-

**Table 2:- Landed Cost of Renewable Energy for Utility**

Particulars	Unit	Value
Weighted Average Pooled Power Purchase Cost of RE Sources (A)	Rs./kWh	2.78
T&D Losses for FY 2024-25 (%) (B)	%	10.50%
Rate of RE-Source after considering T&D losses (C) = (A)/(1-(B))	Rs./kWh	3.11
Intra-State Transmission Charges (D)	Rs./kWh	0.00
<b>Landed Cost of Renewable Energy (E) = (C) + (D)</b>	<b>Rs./kWh</b>	<b>3.11</b>

**(c) Cross Subsidy Surcharge (CSS):**

The Cross Subsidy Surcharge (CSS) for ED, Puducherry has been factored in, taking into account the maximum CSS applicable to the utility, as stipulated in the approved Tariff Order for the FY 2024-25 which is Rs. 1.72/kWh.

**(d) Service Charges:**

The Service Charges pertain to the cost of the distribution licensee other than the cost associated with the purchase of power including Transmission Charges (i.e., Other ARR components) and the fixed cost of power purchase pertaining to the Stranded Capacity/ Backing Down of power.

**i. Distribution Service Charges (i.e., Other ARR components)**

The contribution of other components of ARR excluding power purchase cost and Transmission Charges in ACoS (approved by the Commission in Retail Supply Tariff Order for FY 2024-25) has been worked out as Distribution Service Charges covering prudent cost

of distribution licensee for supplying power to the consumers which works out to be Rs. 0.59/kWh (i.e., Rs. 184.36 Crore of Other ARR components /Sales of 3,145.54 MUs\*10).

**ii. Fixed Cost of Thermal Generating Stations pertaining to Stranded Capacity/Backing Down of Power**

If the distribution licensees procure additional power from Renewable Energy sources to fulfill the requisitions of consumers opting for Green Energy power, the power procurement from thermal generating stations by the distribution licensee will get reduced to that extent. However, the Utility will have to bear the fixed cost of those thermal generating stations. Therefore, the Commission deems it appropriate to consider the fixed cost of power purchase of utility as part of the Service Charges of the distribution licensee for providing green energy which works out to be Rs. 1.35/kWh (i.e., Rs.443.03 Crore as Fixed Cost of Power Purchase /Energy Requirement of 3,287.18 MUs\*10).

**(e) Green Energy Tariff:**

Accordingly, the Green Energy Tariff for ED, Puducherry is computed as Rs. 6.77/kWh as given below:

**Table 3:- Computation of Green Energy Tariff (in Rs./kWh)**

Particulars	Reference	Value
Landed Cost of Renewable Energy for Utility	A	3.11
Cross Subsidy Surcharge	B	1.72
Distribution Service Charges	C	0.59
Backing Down Cost	D	1.35
<b>Green Energy Tariff</b>	<b>E = A+B+C+D</b>	<b>6.77</b>

**5. Incremental Green Energy Charges:**

For arriving at the incremental Green Energy Charges, the Commission has considered the difference between Green Energy Tariff and Average Billing Rate (ABR). The ABR approved for the Retail Supply in the Tariff Order for the FY 2024-25, which is Rs.6.39/kWh, has been taken into account for the computation of the incremental Green Energy Tariff.

Accordingly, the incremental Green Energy Charges for ED, Puducherry is computed as Rs.0.38/kWh as given below:

**Table 4:- Computation of Incremental Green Energy Charges (in Rs./kWh)**

Particulars	Reference	Value
Green Energy Tariff Applicable	A	6.77
ABR	B	6.39
<b>Incremental Green Energy Charges</b>	<b>C= A-B</b>	<b>0.38</b>

6. Further, the Commission, in order to promote RE power, has decided to restrict the incremental Green Energy Charges to a maximum limit of Rs 1/kWh.

7. Since the incremental Green Energy Charges of Rs.0.38/kWh as determined above is less than the maximum ceiling of Rs. 1/kWh, the same (Rs. 0.38/kWh) shall be applicable to the consumers over and above the normal tariff of the respective category.
8. The revenue earned by the Distribution Licensee from the sale of power to consumers under the Tariff for Green Energy shall be considered as revenue from the sale of power. The Distribution Licensee shall separately maintain tariff category and sub-category wise accounting of no. of consumers, connected load, sale, and revenue from sale under tariff for Green Energy for consumers and same shall be shown separately by the Distribution Licensee at the time of truing-up.
9. The Green Energy arrangements are purely optional/voluntary and shall only be provided at the request of the Consumer. The Incremental Green Energy Charges for Green Energy shall only be applicable if Consumer wishes to avail power under the respective aforementioned arrangement.
10. The Distribution Licensee is directed to submit the proposal for the Green Energy Tariff along with the filing of the MYT petition for the Control Period FY 2025-26 to FY 2027-28.
11. This Order shall come into force with effect from 16<sup>th</sup> July, 2024 and shall, unless amended or revoked, continue to be in force till further orders of the Commission.
12. The licensee shall publish the Incremental Green Energy Tariff as determined by the Commission in this Order within one week of receipt of the Order in three daily newspapers in the respective local languages of the region, besides English, having wide circulation in their respective areas of supply and also upload this Order on its website.

Ordered accordingly.

**Sd/-**  
**Jyoti Prasad**  
**Member (Law)**

**Sd/-**  
**Alok Tandon**  
**Chairperson**

Place: Gurugram, Haryana

Date: 08.07.2024