

Inter connection Agreement between Distribution Licensees and solar roof top PV project owner

**Net Metering Inter Connection agreement**

This Agreement is made and entered into at (location)\_\_\_\_ on this (date) \_\_\_\_\_ day of (month)\_\_\_\_\_ year \_\_\_\_\_ between the Consumer, by the name of ----- having premises at (address) \_\_\_\_\_ as first party

AND

\_\_\_\_\_ (Name of the Distribution Licensee), Company registered under the Companies Act 1956/2013 and functioning as the "Distribution Licensee" under the Electricity Act 2003 having its Head Office at, \_\_\_\_\_ (hereinafter referred to as \_\_\_ or Distribution Licensee which expression shall include its permitted assigns and successors) a Party of the Second Part.

AND, WHEREAS \_\_\_\_\_(name of the consumer) desires to set-up such Solar Photovoltaic Rooftop System of \_\_\_ kW at \_\_\_\_\_ connected with (Name of the Distribution Licensee)'s grid at \_\_\_ Voltage level for his/her/its own use within the same premises.

WHEREAS, the Gujarat Energy Development Agency (GEDA) through letter dated \_\_\_\_\_ has registered for developing and setting up \_\_\_ kW own Rooftop Solar PV System for his/her/its own use under Gujarat Solar Power Policy - 2015 at his/her/its premises in legal possession including rooftop or terrace.

And whereas, the Distribution Licensee agrees to provide grid connectivity to the Consumer for injection of the electricity generated from his Rooftop Solar PV System of capacity \_\_\_ kilowatts (kW) into the power system of Distribution Licensee and as per conditions of this agreement and in compliance with the applicable Policy / rules/ Regulations/ Codes (as amended from time to time) by the Consumer which includes-

1. Government of Gujarat Solar Power Policy 2015
2. Central Electricity Authority (Measures relating to Safety and Electric Supply) Regulations, 2010.
3. Central Electricity Authority (Technical Standards for Connectivity to the Grid) Regulations, 2007 as amended from time to time
4. Central Electricity Authority (Installation and Operation of Meters) Regulation 2006.
5. Gujarat Electricity Regulatory Commission (Electricity Supply Code & Related Matters) Regulations, 2015,
6. Gujarat Electricity Regulatory Commission Distribution Code, 2004 and amendments thereto,
7. Instruction, Directions and Circulars issued by Chief Electrical Inspector from time to time.
8. CEA (Technical Standards for connectivity of the Distributed Generation) Regulations, 2013 as amended from time to time.

Both the parties hereby agree as follows:

## **1. Eligibility**

- 1.1 Consumer shall own the Rooftop Solar PV System set up on its own premises or premises in his legal possession.
- 1.2 Consumer needs to consume electricity in the same premises where Rooftop Solar PV System is set up.

- 1.3 Consumer shall ensure capacity of Rooftop Solar not to exceed 50% of his contract load/demand/sanctioned load during initial 2 years of the connectivity agreement.
- 1.4 Consumer has to meet the standards and conditions as specified in Gujarat Electricity Regulatory Commission Regulations and Central Electricity Authority Regulations and provisions of Government of Gujarat's Solar Power Policy 2015 for being integrated into grid/distribution system.

## **2. Technical and Interconnection Requirements**

- 2.1 Consumer agrees that his Rooftop Solar PV System and Net Metering System will conform to the standards and requirements specified in the Policy, Regulations and Supply Code as amended from time to time.
- 2.2 Consumer agrees that he has installed or will install, prior to connection of Rooftop Solar Photovoltaic System to Distribution Licensee's distribution system, an isolation device (both automatic and inbuilt within inverter and external manual relays) and agrees for the Distribution Licensee to have access to and operation of this, if required and for repair & maintenance of the distribution system.
- 2.3 Consumer agrees that in case of non availability of grid, Rooftop Solar Photovoltaic System will disconnect/isolate automatically and his plant will not inject power into the Licensee's distribution system.
- 2.4 All the equipments connected to the distribution system shall be compliant with relevant International (IEEE/IEC) or Indian Standards (BIS) and installations of electrical equipments must comply with Central Electricity Authority (Measures of Safety and Electricity Supply) Regulations, 2010 as amended from time to time.

2.5 Consumer agrees that licensee will specify the interface/inter connection point and metering point.

2.6 Consumer and licensee agree to comply with the relevant CEA Regulations in respect of operation and maintenance of the plant, drawing and diagrams, site responsibility schedule, harmonics, synchronization, voltage, frequency, flicker etc.

2.7 In order to fulfill Distribution Licensee's obligation to maintain a safe and reliable distribution system, Consumer agrees that if it is determined by the Distribution Licensee that Consumer's Rooftop Solar Photovoltaic System either causes damage to and/or produces adverse effects affecting other consumers or Distribution Licensee's assets, Consumer will have to disconnect Rooftop Solar Photovoltaic System immediately from the distribution system upon direction from the Distribution Licensee and correct the problem to the satisfaction of distribution licensee at his own expense prior to reconnection.

2.8 The consumer shall be solely responsible for any accident to human being/animals whatsoever (fatal/non-fatal/departmental/non-departmental) that may occur due to back feeding from the Rooftop Solar plant when the grid supply is off if so decided by CEI. The distribution licensee reserves the right to disconnect the consumer's installation at any time in the event of such exigencies to prevent accident or damage to man and material.

### **3. Clearances and Approvals**

3.1 The Consumer shall obtain all the necessary statutory approvals and clearances (environmental and grid connection related) before connecting the photovoltaic system to the distribution system.

#### **4. Access and Disconnection**

- 4.1 Distribution Licensee shall have access to metering equipment and disconnecting means of the Rooftop Solar Photovoltaic System, both automatic and manual, at all times.
- 4.2 In emergency or outage situation, where there is no access to the disconnecting means, both automatic and manual, such as a switch or breaker, Distribution Licensee may disconnect service to the premises of the Consumer.

#### **5. Liabilities**

- 5.1 Consumer shall indemnify Distribution Licensee for damages or adverse effects from his negligence or intentional misconduct in the connection and operation of Rooftop Solar Photovoltaic System.
- 5.2 Distribution Licensee shall not be liable for delivery or realization by the Consumer of any fiscal or other incentive provided by the Central/State Government.
- 5.3 Distribution Licensee may consider the quantum of electricity generation from the Rooftop Solar PV System owned and operated by (i) Residential and Government Building, (ii) consumers who are not utilizing 'renewable attribute' for meeting its RPO or registered under REC Mechanism, (iii) surplus energy purchased by Distribution Licensees from the Rooftop Solar project which are not under REC Mechanism under net metering arrangement towards RPO compliance.

#### **6. Metering:**

Metering arrangement shall be as per Central Electricity Authority (Installation and Operation of Meters) Regulations, 2006 as amended from time to time.

- (a) In case of Residential and Government Buildings, Bi-directional meter shall be installed of same accuracy class as installed before setting up of Rooftop Solar PV System.

(b) In case of Industrial, Commercial and other consumers-

- (i) Type-1 consumer (consumers not utilizing 'Renewable' attribute for RPO or REC)-Bi-directional meter shall be installed of same accuracy class as installed before setting up of Rooftop Solar PV System.
- (ii) Type-2 (a) & (b) (consumers utilizing both 'renewable attribute' and 'energy attribute') ABT compliant meter having 15 minute integration shall be installed.

## **7. Commercial Settlement**

All the commercial settlements under this agreement shall be as per Government of Gujarat's Solar Power Policy 2015 and Order No. 1 of 2015 dated 17.08.2015 of the Gujarat Electricity Regulatory Commission and any subsequent orders in this regard. The commercial settlement will be as follows:

### **(A) Residential consumers and Government Building**

- (i) In case of net import of energy by the consumer from distribution grid during billing cycle, the energy consumed from Distribution Licensee shall be billed as per applicable tariff to respective category of consumers as approved by the Commission from time to time. The energy generated by Rooftop Solar PV System shall be set off against units consumed (not against load/demand) and consumer shall pay demand charges, other charges, penalty etc as applicable to other consumers.
- (ii) In case of net export of energy by the consumer to distribution grid during billing cycle, Distribution Licensee shall purchase surplus power, after giving set off against consumption during the billing period, at the Average Pooled Power Purchase Cost (APPC) as determined by the Commission for the year in which the Rooftop Solar PV System is commissioned over the life of the system i.e. 25 years. Such surplus purchase shall be utilized for

meeting RPO of Distribution Licensee. However, fixed / demand charges, other charges, penalty etc shall be payable as applicable to other consumers.

**(B) For Industrial, Commercial and other consumers**

(a) Type-1 consumer (consumers not utilizing 'Renewable' attribute for RPO or REC)

(i) in case of net import of energy by the consumers from distribution grid during billing cycle, the energy consumed from Distribution Licensee shall be billed as per applicable tariff to respective category of consumers as approved by the Commission from time to time. The energy generated by Rooftop Solar PV System shall be set off against units consumed (not against load/demand) and consumer shall pay demand charges, peak charges, other charges, penalty etc as applicable to other consumers of respective category.

(ii) In case of net export of energy by the consumer to distribution grid during billing cycle, Distribution Licensee shall purchase surplus power, after giving set off against consumption during the billing period, at the Average Pooled Power Purchase Cost (APPC) determined by the Commission for the year in which Rooftop Solar PV System is commissioned, over the life of the system i.e. 25 years. Such surplus purchase shall be utilized for meeting RPO of Distribution Licensee. However, fixed / demand charges, peak charges, other charges, penalty etc shall be payable as applicable to the respective category of consumers.

(b) Type-2 (a) - consumers utilizing renewable attribute to meet its RPO

(i) Energy accounting shall be undertaken on 15 minute basis. In case of net import of energy by the consumer from distribution grid, the energy consumed from Distribution Licensee shall be billed as per applicable tariff to respective category of consumers as approved by the Commission from time to time. The energy generated by Rooftop Solar PV System shall be set off against units consumed (not against load/demand) and consumer shall pay demand charges, peak charges, other charges, penalty etc. as applicable to the respective category of consumers.

(ii) In case of net export of power on 15 minutes basis after giving set off against consumption, Distribution Licensee shall purchase such surplus power at the APPC determined by the Commission for the year in which the Rooftop Solar PV System is commissioned over the life of the system i.e. 25 years. Such surplus purchase shall be utilized for meeting RPO of Distribution Licensee. However, fixed / demand charges, peak charges, other charges, penalty etc. shall be payable as applicable to the respective category of consumers.

(c) Type-2 (b) - consumers utilizing renewable attribute under REC Mechanism

(i) Energy accounting shall be undertaken on 15 minute basis. In case of net import of energy by the consumer from distribution grid, the energy consumed from Distribution Licensee shall be billed as per applicable tariff to respective category of consumers as approved by the Commission from time to time. The energy generated by Rooftop Solar PV System shall be set off against units consumed (not against load/demand) and consumer shall pay demand charges, peak charges, other charges, penalty etc. as applicable to the respective category of consumers.



(ii) In case of net export of power on 15 minutes basis after giving set off against consumption, Distribution Licensee shall purchase such surplus power at the 85% of APPC determined by the Commission for the year in which the Rooftop Solar PV System is commissioned over the life of the system i.e. 25 years. However, fixed / demand charges, peak charges, other charges, penalty etc shall be payable as applicable to the respective category of consumers.

## **8. Connection Costs**

8.1 The Consumer shall bear all costs related to setting up of Rooftop Solar Photovoltaic System including metering and inter-connection. The Consumer agrees to pay the actual cost of modifications and upgrades to the service line, cost of up gradation of transformer to connect photovoltaic system to the grid in case it is required.

## **9. Inspection, Test, Calibration and Maintenance prior to connection**

Before connecting, Consumer shall complete all inspections and tests finalized in consultation with the (Name of the Distribution license) and if required Gujarat Energy Transmission Corporation Limited (GETCO) to which his equipment is connected. Consumer shall make available to DISCOM all drawings, specifications and test records of the project or generating station as the case may be.

## **10. Records:**

Each Party shall keep complete and accurate records and all other data required by each of them for the purposes of proper administration of this Agreement and the operation of the Rooftop Solar PV System.

## **11. Dispute Resolution:**

- 11.1 All disputes or differences between the Parties arising out of or in connection with this Agreement shall be first tried to be settled through mutual negotiation, promptly, equitably and in good faith.
- 11.2 In the event that such differences or disputes between the Parties are not settled through mutual negotiations within sixty (60) days or mutually extended period, after such dispute arises, then for
- (a) any dispute in billing pertaining to energy injection and billing amount, it would be settled by the Consumer Grievance Redressal Forum and Electricity Ombudsman.
  - (b) any other issues pertaining to the Regulations and its interpretation; it shall be decided by the Gujarat Electricity Regulatory Commission following appropriate prescribed procedure.

## **12. Termination**

- 12.1 The Consumer can terminate agreement at any time by giving Distribution Licensee 90 days prior notice.
- 12.2 Distribution Licensee has the right to terminate Agreement with 30 days prior written notice, if Consumer commits breach of any of the terms of this Agreement and does not remedy the breach within 30 days of receiving written notice from Distribution Licensee of the breach.
- 12.3 Consumer shall upon termination of this Agreement, disconnect the Rooftop Solar Photovoltaic System from Distribution Licensee's distribution system within one week to the satisfaction of Distribution Licensee.

**Communication:**

The names of the officials and their addresses, for the purpose of any communication in relation to the matters covered under this Agreement shall be as under:

<p style="text-align: center;">In respect of the (Name of distribution licensee):</p>  <p style="text-align: center;">* Additional C.E.(R&amp;C) ____ Gujarat Vij Company Limited/Equivalent Authority,</p>	<p style="text-align: center;">In respect of the Consumer</p>  <p style="text-align: center;">(_____)</p>
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Authorized person by the distribution licensees ...

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed by their authorised officers, and copies delivered to each Party, as of the day and year herein above stated.

<p>FOR AND ON BEHALF OF Distribution Licensee</p> <p>_____ Authorized Signatory</p> <p>WITNESSES</p> <p>1. _____ ( _____ )</p> <p>2. _____ ( _____ )</p>	<p>FOR AND ON BEHALF OF THE PROJECT OWNER</p> <p>_____ Authorized Signatory</p> <p>WITNESSES</p> <p>1. _____ ( _____ )</p> <p>2. _____ ( _____ )</p>
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