The Odisha Gazette

EXTRAORDINARY

PUBLISHED BY AUTHORITY

No. 5218 KATAKA, FRIDAY, NOVEMBER 20, 2026/KARTIKA 29, 1948

ଓଡ଼ିଶା ବିଦ୍ୟୁତ୍ ନିୟାମକ ଆୟୋଗ

ODISHA ELECTRICITY REGULATORY COMMISSION

BIDYUT NIYAMAK BHAWAN

PLOT NO. 4, OERC ROAD, SHAILASHREE VIHAR, BHUBANESWAR-751021

TEL. No. 2721048, 2721049

E-MAIL: oerc@odisha.gov.in / orierc@gmail.com

WEBSITE: www.orierc.org

NOTIFICATION

The 22nd October 2026

No. 1682—OERC/RA/ RCO DRES-43/2026—In exercise of the powers conferred under Section 86 & Section 181 of the Electricity Act, 2003 (Act 36 of 2003) and all other powers enabling it in this behalf, the Odisha Electricity Regulatory Commission hereby makes the following Regulations, namely:

CHAPTER-I
GENERAL

1. SHORT TITLE AND COMMENCEMENT

1.1 These Regulations shall be called "Odisha Electricity Regulatory Commission (Grid Interactive Distributed Renewable Energy Sources) Regulations, 2026".

1.2 These Regulations shall be applicable in the whole State of Odisha.

1.3 These Regulations shall come into force from the date of its publication in the Official Gazette.

1.4 These Regulations shall supersede the "Order No. OERC-Engg. 02/2010/(Vol-IV)/1131 Dated: 19.08.2016 on Net Metering/ Bidirectional Metering & their connectivity with respect to Solar PV Projects" and its amendments, subject to the provisions as mentioned in these Regulations.

2. DEFINITIONS AND INTERPRETATION

In these Regulations, unless the context otherwise requires-

(a) **"Act"** means the Electricity Act, 2003 (Act 36 of 2003) as amended from time to time;

(b) **"Agreement"** means an agreement entered into by the distribution licensee with the eligible consumer(s).

(c) **"Behind the Meter (BTM)"** means an arrangement in which the Distributed Renewable Energy System (DRES) is connected behind the Consumers' meter, operating in parallel with the distribution licensee's grid, and not opting for any other metering or billing arrangement options and subject to other conditions mentioned in these Regulations.

(d) **"Bidirectional Meter"** means an energy meter which is capable of recording both import and export of electricity.

(e) **"Billing Cycle" or "Billing Period"** means the period for which regular electricity bills are prepared for different categories of consumers by the distribution licensee, as per the OERC Supply Code, 2019 as amended from time to time.

(f) **"Commission"** means the Odisha Electricity Regulatory Commission referred to in sub-section (1) of the Section 82 of the Act;

(g) **"Contract Demand" or "Sanctioned Load"** means as defined in the OERC Supply Code, 2019 as amended from time to time;

(h) **"Designated Consumer" or "DC"** means electricity distribution licensee or open access consumers or captive users or any consumer notified by the Central Government under clause (e) of Section 14 of the Energy Conservation Act, 2001, for which a target is notified under the Statutory Orders issued by the Government of India from time to time;

(i) **"Distributed Renewable Energy Sources"** means a renewable source or a combination of such sources, as recognised by the Ministry of New and Renewable Energy (MNRE), Government of India, from time to time.".

(j) **"Distributed Renewable Energy System" or "DRES"** means an electricity generation system having installed capacity not exceeding 10 MW using a distributed renewable energy source with or without energy storage and connected to the distribution network at voltage level of 33 kV or below having an anti-islanding protection to prevent flow of energy into the grid when grid supply is not available.

(k) **"Distribution Licensee"** means a person granted license under Section 14 of the Act authorizing him to operate and maintain a distribution system and to supply electricity to the consumers in his area of supply, and includes a deemed licensee or as defined in the Act from time to time;

(l) **"Eligible Consumer(s)" or "Consumer(s)"** means a consumer of electricity in the area of supply of the distribution licensee, who uses or intends to use a DRES, installed at his premises or at any other location, depending on the metering mechanisms under these Regulations;

(m) **'Feed-in Tariff' or 'FiT'** means the tariff determined by the Commission by a general or special Order issued from time to time, for the settlement of energy injected to the grid by a prosumer under different metering mechanisms.

(n) **"Generation Meter"** means an energy meter installed to measure the electricity generated by the DRES;

(o) **"Grid Support Charges"** means the fixed monthly charge payable by a Captive Generating Plant (CGP) operating in parallel with the grid, to

compensate the Transmission/ Distribution Licensee for the grid support services including but not limited to fault-level support, voltage/frequency support, reactive power support, harmonics absorption support, no-load losses supports and availability provided by the grid to ensure safe, stable and reliable operation of the CGP.

(p) **"Group Net Metering"** means a mechanism whereby surplus energy generated/ injected from a DRES is exported to the grid through a Net-Meter in the Consumer's premises at any one of his service connection locations and the exported energy is adjusted in more than one electricity service connection(s) of the same person in the same category of consumer located within the same distribution licensee's area of supply.

(q) **"Gross Metering"** means a mechanism whereby the total energy generated from DRES of a prosumer and the total energy consumed by the prosumer are accounted separately through appropriate metering arrangements and for the billing purpose, the total energy consumed by the prosumer is accounted at the applicable retail tariff and total energy generated by the DRES is accounted for at feed-in-tariff as determined by the Commission.

(r) **"Hosting capacity"** means cumulative capacity of DRES allowed to be interconnected with the grid under different metering mechanisms which shall not exceed the capacity as specified under these Regulations.

(s) **"Inter-connection point"** shall mean the interface point of the DRES with the network of distribution licensee.

(t) **"kW"** means kilowatt and indicates the output of the DRES in AC (Alternating Current);

(u) **"Lead Consumer"** means one among the participating consumers who is nominated by other participating consumers under the Virtual Net Metering arrangement, to act as their representative for all the correspondence and communication with the Distribution licensee;

(v) **"Net Billing"** means a mechanism whereby a single bidirectional energy meter is used for net-billing at the point of supply wherein the energy imported from the Grid and energy exported from DRES of a prosumer are valued at two different tariffs;

(w) **"Net Meter"** means a consumer meter which is a bi-directional energy meter for measuring the quanta of elecricity flowing in either direction and shall provide the net quantum of electricity either consumed by the consumer or injected into the transmission/distribution system of the licensee in kWh, which shall be an integral part of the DRES;

(x) **"Net Metering"** means a mechanism whereby energy exported to the Grid

from DRES of a prosumer is deducted from energy imported from the Grid in units (kWh) to arrive at the net imported or exported energy and the net energy import or export is billed or credited or carried over by the distribution licensee by using a single bidirectional energy meter at the point of supply on the basis of the applicable tariff as determined by the Commission;

(y) **"Obligated Entity"** means the distribution licensee, consumer(s) owning the captive power plants based on conventional fossil fuel and Open Access Consumer(s) in the state who are mandated to fulfill renewable purchase obligation under these Regulations

(z) **"OERC Supply Code, 2019"** means the OERC Distribution (Conditions of Supply) Code, 2019 as amended from time to time;

(aa) **"Off-peak hours"** means the hours of the day other than the peak-hours as specified by the Commission in the Retail Supply Tariff Order for respective year;

(bb) **"Peak-hours"** means hours of the day specified as peak-hours by the Commission in the Retail Supply Tariff Order for respective year;

(cc) **"Premises"** means as defined under Act and subsequent amendments thereof;

(dd) **"Prosumer"** means a consumer of electricity in the area of supply of the Distribution Licensee, who uses a self-owned or RESCO owned DRES installed at the Consumer's premises/or other location, under any of the metering mechanisms under these Regulations;

(ee) **"Renewable Energy Service Company" or "RESCO"** means an energy service company, which owns a DRES and supplies renewable energy to the prosumer on mutual commercial arrangement through an agreement, under different metering mechanisms provided under these Regulations;

(ff) **"Settlement Period"** means the period at the end of which settlement between the distribution licensee and the Consumer takes place which commences from first day of April in an English calendar year and ends with the thirty first day of the March of the next year;

(gg) **"Time Of Day Tariff" or "TOD Tariff"** means the Tariff determined by the Commission for some/all category of consumers specifying tariff for Peak Hours, Solar Hours and Normal hours, in the Retail Supply Tariff Order for each Financial Year;

(hh) **"Virtual Net Metering"** means an arrangement whereby the entire energy generated/injected from a DRES is exported to the grid and the energy exported is adjusted in more than one electricity service connection(s) of the

participating consumers belonging to the same consumer category located within the area of supply of the same distribution licensee;

(ii) **"Year"** or **"Financial year"** means the period beginning from first of April in an English calendar year and ending with the thirty first of the March of the next year.

2.2 Words and expressions used but not specifically defined in these Regulations shall carry the meaning as per the Act or the Regulations issued by the Central Commission or any other Regulations issued by the Commission.

2.3 All proceedings under these Regulations shall be governed by the OERC (Conduct of Business) Regulations, 2004 as amended from time to time.

3. Scope and Applicability

3.1 These Regulations would apply to the DRES installed in the area of supply of the distribution licensee.

3.2 An Eligible Consumer who owns or intends to own/develop a DRES individually or with the RESCO, shall enter into an agreement with the distribution licensee under any of the applicable/eligible metering mechanism as provided under these Regulations.

3.3 When a DRES is installed under any scheme of the Central or State Government, it shall be done as per the guidelines issued under such scheme. The Commission may issue special order, if necessary, for implementation of such scheme.

3.4 The Eligible Consumer who owns/ would own a solar photovoltaic based DRES of capacity of more than 100 kW (except irrigation, pumping and agriculture category of consumers) shall install a Battery Energy Storage System (BESS) having a minimum storage duration of two (2) hours and a capacity equivalent to at least ten percent (10%) of the installed capacity of the Plant.

Provided that any change in the percentage requirement of BESS capacity and other related matter shall be notified by the Commission from time to time.

Provided further that the consumer/ prosumer already owning a solar photovoltaic based DRES or any such project which has already been approved by the DISCOM for connectivity, irrespective of the capacity, as on date of notification of these Regulations, shall not be required to install a BESS until the said consumer/prosumer applies for augmentation of DRES capacity and the total capacity becomes more than 100 kW.

3.5 The BESS installed by prosumers shall be charged during solar hours and preferably, discharged during peak hours.

3.6 The Consumer may own the DRES or may enter into a contract with the RESCO

on mutual commercial arrangements for the establishment of the DRES under different metering mechanisms, covered under these Regulations.

3.7 The consumer shall enter into an agreement with the RESCO in respect of billing/payment and shall submit a copy of this agreement to the DISCOM prior to commissioning of the DRES.

3.8 The dispute between the consumer and the RESCO arising out of contractual obligations under the agreement shall be settled mutually by them. The distribution licensee shall not disconnect such consumer on the ground of any dispute between consumer and the RESCO.

3.9 The Distribution Licensee may also be the RESCO with a separate direct agreement with the consumer undertaken specifically for this purpose and this business shall be treated as other business of the Distribution Licensee.

3.10 The Consumer(s) who owns or would own a DRES shall install a Generation meter for recording the energy generated by the DRES and a bi-directional meter/ Net-Meter to record the electricity injected into the grid and the energy consumed by the consumer from the grid.

3.11 Where the DRES is located at any location other than the consumer's premises, the consumer shall be responsible for development of evacuation infrastructure from the DRES up to the nearest grid system as agreed by the distribution licensee.

3.12 Consumers having pending arrears with the distribution licensee shall not be eligible to install DRES under these Regulations:

Provided that, where there is a dispute between the distribution licensee and the consumer, relating to any charge for electricity, such consumers shall be allowed to install DRES pending resolution of dispute upon deposit of the disputed amount with the distribution licensee in accordance with Section 56 of the Act.

3.13 The consumer availing Open Access (OA) under clause (2) of Section 42 of the Act may also establish DRES in its premises under these Regulations. In such case, priority for settlement/adjustment in credit should be done first for OA transactions followed by banked energy from in-situ DRES or as decided by the Commission.

3.14 The eligible consumers are entitled to avail of the applicable subsidies as per MNRE's as well as Central/ State Government's notifications/guidelines issued from time to time.

3.15 Consumers with DRES as on the date of the notification of these Regulations, shall continue to remain under the same metering mechanism until they opt for switching to any other mechanism as mentioned in these Regulations and the

energy accounting and applicable charges for such consumers shall be governed as per these Regulations.

4. Metering Mechanisms for DRES

4.1 The Eligible Consumer(s) who owns or would own a DRES shall enter into an agreement with the Distribution Licensee under any of the following Metering Mechanisms based on their eligibility and maximum installed capacity as mentioned in these Regulations;

i. Net Metering
ii. Net Billing
iii. Gross Metering
iv. Group Net Metering
v. Virtual Net Metering
vi. Behind the Meter

5. Net Metering

5.1 In this mechanism, the consumer offsets his quantum of electricity consumption from the Distribution Licensee.

5.2 Domestic category of consumers, educational institutions/training institutions (including their hostels) managed by Government, hospitals/ dispensaries / primary health centres/ Community health centres managed by the Government/ local bodies, buildings belonging to local authorities and Irrigation, Pumping & Agricultural category consumers shall be eligible to establish DRES under Net Metering mechanism.

5.3 The DRES in Net Metering mechanism must be located/installed in the consumer's premises and the minimum capacity of DRES shall be 1 kW & maximum capacity shall be 500 kW or the sanctioned load or the contract demand of the prosumer, whichever is lower.

5.4 Consumers can switch from existing Net Metering mechanism to Gross Metering or Net Billing or Behind-The-Meter mechanism once in a year, subject to maximum three times during the life of the DRES.

6. Net Billing

6.1 In this mechanism, the consumer offsets the electricity purchase bill from the Distribution Licensee.

6.2 In this mechanism:

i. The monetary value of imported energy is based on the applicable retail tariff.

ii. The monetary value of the exported renewable energy is based on the tariff as determined by the Commission.

iii. The monetary value of exported energy is deducted from the monetary value of the imported energy to arrive at the net amount to be billed/ credited/ carried over.

6.3 The consumers of all categories shall be allowed to establish DRES under Net Billing mechanism.

6.4 The DRES in Net Billing mechanism shall be located/installed in the consumer's premises and the minimum capacity of DRES shall be 1 kW & maximum capacity shall be 500 kW or the sanctioned load or the Contract Demand of the prosumer, whichever is lower.

6.5 The consumers under Net Billing mechanism may switch from existing Net Billing mechanism to Behind-The-Meter or Gross Metering mechanism once in a year, subject to maximum three times during the life of the DRES.

7. Gross Metering

7.1 Under Gross metering mechanism, the prosumer shall sell all energy generated by DRES to the distribution licensee by injecting the entire generation into the distribution grid.

7.2 In this mechanism the consumer shall offset electricity purchase bill from the distribution licensee. The consumer installing the DRES shall sell the entire generation to the licensee at feed-in tariff for Gross Metering as determined by the Commission, thereby offsetting his electricity bill.

7.3 An applicant who is setting up a DRES plant under Gross Metering mechanism shall obtain separate connectivity from the licensee. In such scenario, a Bi-directional Meter shall be installed by the Consumer for recording the energy imported by / exported from the DRES site and a Generation Meter to record the generation of the DRES.

7.4 Consumers of all categories shall be allowed to install DRES under Gross Metering mechanism.

7.5 The maximum capacity of DRES that can be set up under Gross Metering mechanism shall be 10 MW.

7.6 The capital expenditure on account of Service Line cum Development (SLD) and network augmentations in cases where the proposed DRES system is higher than sanctioned load or contract demand of the consumer or the proposed DRES plant is set up in a separate premise, shall be borne by the consumer.

7.7 All eligible Consumer(s) may switch from existing Gross Metering mechanism to Net-Billing (if eligible as per Net Billing conditions) or Behind-The-Meter mechanism once in a year, subject to maximum three times during the life of the DRES.

8. Group Net Metering (GNM)

8.1 In this mechanism, the consumer shall offset the quantum of electricity consumption of more than one electricity service connection of the same person and in the same consumer category located within the area of supply of the same distribution licensee.

8.2 Consumer(s) eligible for Net-Metering mechanism (Regulation 5.2) shall be eligible to install DRES under Group Net Metering mechanism in the Consumer's premises at any one of his service connection locations.

8.3 The prosumer shall mention the priority list of participating service connections in the agreement to offset the respective consumption with the energy generated from the DRES.

8.4 The minimum size of DRES that can be set up under Group Net Metering mechanism shall be 5 kW, while the maximum capacity shall not exceed the combined sanctioned load or Contract Demand of all the participating service connections or 500 KW, whichever is lower.

8.5 The capital expenditure on account of Service Line cum Development (SLD) and network augmentations required for installation of such DRES shall be borne by the consumer.

9. Virtual Net Metering (VNM)

9.1 In this mechanism, a group of two or more consumers from the same consumer category may set up DRES to offset the electricity consumption of more than one electricity service connection(s) of participating consumers located within the area of supply of the same Distribution Licensee.

9.2 An applicant who is setting up a DRES plant in an area which is not within the premises of a consumer shall be allowed for Virtual Net Metering by obtaining separate connectivity. In such scenario, a Bi-Directional Meter shall be installed for recording the energy imported by / exported from the DRES site. The consumer shall install a Generation Meter at the DRES to record the energy generated by the DRES.

9.3 Consumers eligible for Net-Metering mechanism shall be eligible to install DRES under Virtual Net Metering mechanism.

9.4 The minimum size of DRES that can be set up under Virtual Net metering mechanism shall be 5 kW, while the maximum capacity shall not exceed the combined sanctioned load or Contract Demand of all the participating consumers or 500 kW, whichever is lower.

9.5 The capital expenditure on account of Service Line cum Development (SLD) and network augmentation required for installation of such DRES shall be borne by the consumers.

10. Behind the Meter

10.1 In this mechanism, the DRES shall be installed within the Consumer's premises for self- consumption only and not for sale of electricity generated by the DRES to the distribution licensee.

10.2 Consumers under all categories are allowed to opt for behind the meter mechanism. The minimum capacity of DRES that can be set up under behind the meter mechanism shall be 1 kW, while the maximum capacity shall not exceed the sanctioned load or Contract Demand of the consumer not exceeding 10 MW.

Provided that the consumer shall connect the behind the meter system only after prior intimation to the Distribution Licensee under whose area of supply the DRES is installed.

10.3 The DRES connected behind the Consumer's meter, operating in parallel with the Distribution Licensee's grid, shall be allowed only after prior intimation to such distribution licensee.

Provided that, the Consumer shall be responsible for ensuring that all necessary safeguarding measures as specified by CEA are taken.

10.4 In cases where it is found that the system is connected to the consumer installation without prior intimation to the distribution licensee, the licensee may disconnect such system after serving a 15 days' notice. The consumer shall intimate the distribution licensee the details of the installation within this notice period with payment of one-time penalty of Rs. 100/kW (Rupees One Hundred per Kilo Watt) of the installed DRES capacity to avoid disconnection of supply by the distribution licensee.

10.5 The Consumer shall install reverse power flow relay to ensure that no energy is injected into the grid from such DRES installed behind the Consumer's meter.

Provided that any quantum of energy injected by such DRES connected behind the Consumer's meter shall be considered as inadvertent injection and shall neither be paid for nor settled by the distribution licensee.

Provided that penalty shall be levied on such inadvertent injection as determined by the Commission on an application filed by the Distribution Licensee regarding such inadvertent injection.

10.6 Consumers may switch from existing Behind-The-Meter mechanism to, Net-Billing (if eligible as per Net Billing conditions) or Gross-Metering mechanism (if eligible as per Gross Metering conditions) once in a year, subject to maximum three times during the life of the DRES and subject to necessary modifications in the connectivity required for the desired metering mechanism.

11. Energy Accounting

11.1 The Distribution licensee shall undertake meter reading of Generation meter/ Net-Meter/ Bi-Directional Meter/ Consumer meter and the timeline of metering, billing and payment shall be as per OERC Supply Code, 2019 as amended from time to time.

11.2 The Distribution Licensee, shall modify its existing billing infrastructure to facilitate the metering, energy accounting and billing arrangements as per the requirement of these Regulations by the end of the Financial Year 2026-27. The energy accounting under these Regulations for the prosumers shall be effective from 1st April 2027.

11.3 The distribution licensee shall accept the power from the DRES until the prosumer(s) ceases to be a consumer of the licensee or on an application by the prosumer to the contrary.

12. Accounting for Net Metering Mechanism

12.1 In case the electricity injected by the DRES exceeds the electricity consumed during the billing cycle, such excess injected electricity shall be carried forward to the next billing cycle as excess electricity and be utilized in the following billing cycles but within the same settlement period.

12.2 In case the electricity supplied by the distribution licensee during any billing cycle exceeds the electricity injected into the grid by the DRES, the distribution licensee shall raise a bill for the net electricity consumption at effective retail supply tariff after considering any excess electricity carried forward from the previous billing cycle.

12.3 In case the prosumer is under the ambit of Time-of-Day tariff (ToD tariff), the following process shall be followed:

a. The incentive/surcharges under ToD tariff shall be applicable in accordance with the effective Tariff Order.

b. Electricity consumption in peak hours and off-peak hours shall be first compensated with the electricity generation during the peak hours and off-peak hours respectively.

c. Any cumulative excess energy injected over and above the consumption during the peak hours and off-peak hours in a billing cycle shall be accounted as if the excess injection had occurred during off-peak hours.

d. This process will continue till all consumption in off-peak hours is set off against DRES generation during off-peak hours.

e. Any excess generation after setting off consumption in off-peak hours would be carried forward to the next billing cycle.

f. Same process would be followed to set off consumption in the subsequent billing cycle.

12.4 The excess electricity at the end of settlement period shall be settled by the distribution licensee at feed-in tariff for Net-Metering as determined by the Commission. At the beginning of each settlement period, the carried forward electricity shall be zero.

12.5 This settled amount shall be credited to the Consumer's Bank Account through digital mode within sixty (60) days of the expiration of the settlement period, failing which the distribution licensee shall pay simple interest to such prosumer at the rate of 1% per month.

12.6 The injected electricity measured in kWh/kVAh shall only be utilized to offset the consumption measured in kWh/kVAh and shall not be utilized to compensate any other fee and charges levied by the distribution licensee.

12.7 In case, the consumer tariffs have been determined by the Commission on kVAh basis, the generation and consumer meter readings shall also be taken in kVAh and settlement of energy shall be done accordingly.

12.8 For each billing cycle, the distribution licensee shall provide the following information in its bill to the consumer:

a. DRES generation recorded in the generation meter.
b. Electricity injected by DRES in the grid in the billing cycle, including opening and closing meter reading.
c. Electricity supplied by the distribution licensee in the billing cycle, including opening and closing meter reading.
d. Net billed electricity, for which a payment is to be made by the prosumer, if any.
e. DRES generation used by the DISCOM for Renewable Purchase Obligation (RPO)/ Renewable Consumption Obligation (RCO) compliance, if applicable.
f. Excess electricity carried forward from the previous billing period.
g. Excess electricity carried forward to the next billing period, if any.

12.9 Regardless of availability of excess electricity with the prosumers during any billing period, the prosumers shall pay the charges such as fixed/demand charges and other charges as applicable.

13. Accounting for Net Billing Mechanism

13.1 The energy generated by the DRES shall be first used for self-consumption and surplus energy injected into the grid or energy drawn from the grid shall be billed as follows:

Energy Bill of consumer =

$$\textbf{Fixed Charges and other charges and levies} + [(E_{DL}\text{-}OA) \times T_{RST}] - (E_{RE} \times T_{FIT}) - \textbf{Billing Credit;}$$

Where:

a) Fixed Charges mean the Fixed/Demand Charges as applicable to the consumer category as per the applicable Retail Supply Tariff Order.
b) Other charges and levies mean any other charges such as duties, taxes, cess, etc. as applicable as per applicable RST Order.
c) $\mathbf{E_{DL}}$ means the energy drawn from the Grid by the prosumer.
d) $\mathbf{T_{RST}}$ means the applicable retail supply tariff of the concerned consumer category as per the applicable Retail Supply Tariff Order of the Commission for the respective year.
e) $\mathbf{E_{RE}}$ means the energy injected into the Grid by the prosumer.
f) $\mathbf{T_{FIT}}$ means the feed-in-tariff for Net-Billing as determined by the Commission
g) Billing Credit is credit available from previous months
h) **OA** means the quantum of energy imported by the consumer through Open Access.

13.2 In case of prosumers under ToD tariff regime with Net Billing mechanism, $((E_{DL}-OA) \times T_{RST})$, in the equation mentioned in Regulation 13.1 shall be the monetary value of energy consumed from the distribution licensee, calculated as per ToD tariff approved by the Commission in the Tariff Order.

13.3 The monetary value of the exported energy shall be deducted from the monetary value of imported energy to arrive at the net amount to be billed to the consumer in Net Billing mechanism.

13.4 If the cumulative credit amount exceeds the debit amount during any billing cycle, the net credit amount is carried over to the next billing cycle. At the end of the settlement period, the net credit balance shall be credited by the distribution licensee to the Consumer's Bank Account through digital mode within sixty (60) days of the expiration of the settlement period, failing which the distribution licensee shall pay simple interest to such prosumer at the rate of 1% per month.

13.5 For each billing cycle, the distribution licensee shall provide the following information in the bill of the eligible Consumer:

a. Quantum of DRES generation recorded in the Generation Meter in the billing period;
b. Quantum of electricity units consumed by the Consumer in the billing cycle, including opening and closing balance;
c. Quantum of Open Access energy availed by the Consumer, if any;
d. Monetary value of DRES generation mentioning the feed-in tariff and monetary value of energy consumption from Distribution Licensee;
e. Energy Bill of the consumer as per Regulation;
f. Credit amount, if any, carried forward or settled in the billing cycle;
g. Renewable Energy generation units used by the Distribution Licensee for RPO/RCO compliance.

14. Accounting for Gross Metering Mechanism

14.1 The distribution licensee shall purchase entire energy injected from the DRES system at the feed-in tariff for Gross Metering as determined by the Commission.

14.2 The energy imported from the distribution licensee shall be billed as per effective Retail Supply Tariff (and ToD tariff, if applicable) for respective category of consumers in accordance with terms and conditions of prevalent Retail Supply Tariff Order.

14.3 The distribution licensee shall prepare a net bill comprising of the amount payable by the distribution licensee as per Regulations 14.1 above and amount payable by the consumer as per Regulations 14.2 above for each billing cycle:

Provided that if the net bill amount for a billing cycle is payable by the consumer, then the same shall be paid by the consumer as per OERC Supply Code, 2019 as amended from time to time:

Provided further that if net bill amount for a billing cycle is payable by the distribution licensee, then the same shall be settled during the next billing cycle.

14.4 The net credit balance shall be credited by the distribution licensee to the Consumer's Bank Account through digital mode.

14.5 For DRES under gross metering arrangement and supplying power during peak period using energy storage systems, the feed-in tariff applicable for the peak hours shall be 125% of the feed-in tariff or as revised by the Commission from time to time by a special order.

14.6 For each billing cycle, the distribution licensee shall provide the following information in the bill of the eligible Consumer:

a. Quantum of DRES generation recorded in the bi-directional meter/ Generation Meter in the billing cycle,
b. Quantum of electricity units consumed by the Consumer in the billing cycle, including opening and closing balance;
c. Credited amount towards payment of energy supplied to the distribution licensee, if any, in the billing period, showing opening and closing balance;
d. Energy Bill payable by the consumer, if any, as per Regulation;
e. Renewable Energy generation units used by the Distribution Licensee for RPO/RCO compliance.

15. Accounting for Group Net Metering

15.1 The service connection where DRES is located, shall consume at least 20% of total energy generated by DRES. The equivalent units which are not consumed (out of 20% of generated RE power), at source connections, shall be considered as lapsed energy.

15.2 The energy generated from DRES shall be credited in the electricity bill of each participating connection(s) of the consumer, for each billing cycle, as per the priority indicated in the connection agreement with the distribution licensee. The reading at the generation points and the consumer's installations shall be carried out on the same date.

15.3 Where the export of units during any billing cycle exceeds the import of units at the connection where DRES is located, such surplus units injected into the grid shall be adjusted against the energy consumed in the monthly bill of service connection(s) in a sequence indicated in the priority list provided by the consumer. The sequence of priority for adjustment shall be deemed to have begun with the service connection where the DRES is located.

15.4 The priority list for adjustment of the balance surplus energy against other electricity connection(s) may be revised by the Consumer once at the beginning of every financial year with an advance notice of three months.

15.5 The electricity consumption during peak hours and off-peak hours shall be first compensated with the electricity generation in the peak hours and off-peak hours respectively in the same billing cycle of the consumer where DRES is located. Any surplus units injected by the DRES shall be adjusted against the energy consumed during the billing cycle of the participating service connection(s) in the sequence indicated in the priority list provided by the consumer, as if the surplus generation/ Energy Credits have occurred during the off-peak hours.

15.6 In case the electricity injected by the DRES exceeds the electricity consumed during the billing cycle, such excess injected electricity shall be carried forward to the next billing cycle as excess generation during off-peak hours and be utilized in the following billing cycles but within the same settlement period

15.7 The excess electricity (the unadjusted net credit units of electricity) at the end of settlement period shall be settled by the distribution licensee at feed-in tariff for Group Net-Metering as determined by the Commission. At the beginning of each settlement period, the carried forward electricity shall be zero.

15.8 The settled amount shall be credited to the Consumers' Bank Account through digital mode within sixty (60) days of the expiration of the settlement period, failing which the distribution licensee shall pay simple interest to such prosumer at the rate of 1% per month.

15.9 Regardless of availability of excess electricity with the prosumers during any billing period, the prosumers shall pay the charges such as fixed/demand charges and other charges as applicable.

16. Accounting for Virtual Net Metering (VNM)

16.1 For every VNM arrangement established as per these Regulations:

a. All the participating consumers shall enter into an agreement inter-se defining the share of energy credit of each participating consumer and nominating one among them as the Lead Consumer. This agreement shall be submitted along with the Connectivity agreement to the distribution licensee.

b. The Lead Consumer shall execute the Connectivity Agreement and make all correspondences with the Distribution Licensee on behalf of the participating consumers.

c. The Lead Consumer may be substituted by consensus of the participating consumers through a fresh inter-se agreement and the same shall be submitted to the distribution licensee by the substituted Lead Consumer. The connectivity agreement shall be assigned to the substituted Lead Consumer.

16.2 The energy generated from the DRES shall be credited in the monthly electricity bill of each participating consumers as per the ratio of procurement from DRES indicated in the inter-se agreement entered by the Consumers and submitted to the distribution licensee.

16.3 The participating consumers shall have the option to change their share of energy credit by submitting a fresh inter-se agreement to the distribution licensee three months prior to the beginning of the financial year.

16.4 Where the service connection of any participating consumer(s) is permanently disconnected due to any reason, the unadjusted units/remaining credits of that consumer shall be adjusted/paid as per the pro-rated ratio among rest of the participating consumers during each billing cycle.

16.5 The electricity consumption during peak hours and off-peak hours shall be first compensated with the electricity generation during peak-hours and off-peak hours respectively in the same billing cycle of the participating consumer(s). Any surplus generation over consumption during the peak hours and off-peak hours in a billing cycle shall be accounted as if the surplus generation/ Energy Credits have occurred during the off-peak hours.

16.6 Where the units credited during any billing cycle of any participating Consumer(s) exceeds the import of units by that consumer, such surplus credited units shall be carried forward in the next billing cycle as energy credits for adjustment against the energy consumed in the subsequent billing cycles within the settlement period of that participating Consumer(s).

16.7 The unadjusted net credit units of electricity at the end of settlement period shall be settled by the distribution licensee at feed-in tariff for Virtual Net-Metering as determined by the Commission. At the beginning of each settlement period, the carried forward electricity shall be zero.

16.8 The settled amount shall be credited to the Consumers' Bank Account through digital mode within sixty (60) days of the expiration of the settlement period, failing which the distribution licensee shall pay simple interest to such prosumer at the rate of 1% per month.

16.9 Regardless of availability of excess electricity with the prosumers during any billing period, the prosumers shall pay the charges such as fixed/demand charges and other charges as applicable.

17. Applicability of Charges

17.1 The quantum of electricity generated from DRES under Net Metering, Net Billing, Gross Metering and Behind the Meter arrangements, if installed on eligible Consumer's premises shall be exempted from transmission & wheeling charges, cross subsidy surcharge and additional surcharge.

17.2 The applicable charges for Group Net Metering are as follows;

a. If the DRES and other participating service connections are connected to the same Distribution Sub-station / feeder, transmission & wheeling charges, cross subsidy surcharge and additional surcharge shall not be applicable.

b. If the other participating service connections and the DRES are not connected to the same Distribution Sub-station / feeder, all such charges along with applicable losses in accordance with OERC (Promotion of Renewable Energy Green Energy Open Access) Regulations, 2023 as amended from time to time / OERC (Terms and Conditions for Intra-state Open Access) Regulations, 2020 as amended from time to time shall be applicable.

17.3 In case of Virtual Net Metering, if DRES and participating consumers are connected to the same Distribution Sub-station / feeder, transmission & wheeling charges, cross subsidy surcharge and additional surcharge shall not be applicable. If the service connections of the participating consumers and the DRES are not connected to the same Distribution Sub-station / feeder, all such charges along with applicable losses in accordance with OERC (Promotion of Renewable Energy Green Energy Open Access) Regulations, 2023 as amended from time to time / OERC (Terms and Conditions for Intra-state Open Access) Regulations, 2020 as amended from time to time shall be applicable.

17.4 The Commission may notify from time to time through a general/special Order, the "Grid Support Charges" to be levied on the energy generated by DRES.

18. Energy Accounting during Meter Defect/ Failure/ Burnt

18.1 In case of defective/failure/burnt condition of any meter, the prosumer shall report the failure, to the distribution licensee in the specified format of distribution licensee.

18.2 The consumer/distribution licensee shall replace the meter as per OERC Supply

Code, 2019, as amended from time to time.

18.3 During the period the meter remains defective, the distribution licensee shall bill the consumer as per OERC Supply Code, 2019, as amended from time to time.

19. Hosting Capacity

19.1 The cumulative capacity of the DRES allowed to be interconnected with the distribution network/system shall not exceed the rated capacity of the corresponding feeder/Power Transformer.

19.2 The cumulative capacity of the DRES allowed to be interconnected with the distribution transformer shall not exceed 90% of its capacity and the DRE system on each phase of the transformer shall not exceed 30% of the capacity of the transformer:

Provided that in the case of a single-phase consumer seeking connectivity to a phase which has exceeded or likely to exceed the threshold of 30% capacity in that phase, the licensee at its cost shall provide connectivity to another phase, if surplus capacity is available in any of the other phases.

Provided that the feeder or transformer mentioned above, considered for the purpose of calculating the hosting capacity, shall mean the feeder or transformer owned by the distribution licensee.

20. Technical & Safety standards for Interconnection of DRES with the grid

20.1 The voltage level for interconnection of the DRES with the grid shall generally be the voltage level at which the consumer has been given supply by the distribution licensee. The point of connectivity and respective voltage level shall be decided by the distribution licensee upon joint verification considering feasibility and network conditions.

20.2 The interconnection of the DRES with the network of the distribution licensee shall be as per the Central Electricity Authority (Measures relating to Safety and Electric Supply) Regulations, 2023 and subsequent amendments thereof.

20.3 The DRES shall comply with the applicable provisions of Central Electricity Authority (Technical Standards for Connectivity of the Distributed Generation Resources) Regulations, 2013 and amendments thereof and shall also comply to any standards/procedures issued by the appropriate authority with regards to the operation, safety and other standards of the DRES.

20.4 The eligible Consumer shall be responsible for the safe operation, maintenance and rectification of defect in the DRES and storage system (if any) up to the bi-directional meter, beyond which such responsibility, shall be that of the Distribution Licensee.

20.5 The DRES and storage system (if any), shall have appropriate protection for

isolating the DRES from the network of the Distribution Licensee, with an automatic as well as manual isolation switch, to prevent any feeding into the grid in case of failure of supply/grid.

20.6 The Distribution Licensee shall have the right to disconnect the DRES and storage system (if any) from its network at any time without any notice, in the event of any threat or damage from such DRES to its distribution system, to prevent any accident or damage. When DRES is disconnected, the distribution licensee shall, within 24 hours of such disconnection, intimate the prosumer to rectify the defect and on such rectification the licensee shall restore the connection to the DRES immediately.

20.7 The inverter used in association with DRES, shall be a sine wave inverter and the harmonic standards shall be as per IEEE 519. In case of solar photovoltaic DRES, the inverter shall also comply to the mandatory standards stated by MNRE: IS 16221 (Part 2).2015/IEC 62109-2.2011 Safety of Power Converters for use in Photovoltaic Power Systems Part 2 (Particular Requirements for Inverters) and IS 16169.2019/IEC 62116.2014 Test Procedure of Islanding Prevention Measures for Utility – Interconnected Photovoltaic Inverters.

20.8 The inverter shall have the features of filtering out harmonics and other distortions before injecting the energy into the system of the Distribution Licensee and the Total Voltage Harmonic Distortion (THD) shall be within the limits specified in the Indian Electricity Grid Code (IEGC)/IEEE technical standards.

20.9 Inverter communication devices/dongles/data loggers having Machine-to-Machine (M2M) SIM communication protocol may be relied upon for real-time measurement and transmission of generation data in lieu of generation meter.

21. Commissioning of the DRES

21.1 The DRES shall comply with the relevant standards and guidelines specified by the MNRE / BIS / CEA / Commission from time to time. The inverters used shall meet the necessary quality requirements before putting the DRES into service. The protection logics shall be tested before commissioning of the plant. The installation shall meet all safety standards and safety certificates for the installations, which shall be obtained from the appropriate authority as notified by the Government.

22. Renewable Purchase Obligation (RPO)/ Renewable Consumption Obligation (RCO) from DRES

22.1 If the prosumer is an Obligated Entity/ Designated Consumer, the quantum of energy consumed by such prosumer from its DRES, shall be considered towards RPO/RCO compliance of the Obligated Entity/ Designated Consumer.

22.2 The quantum of renewable energy injected to the grid from DRES owned by

Designated consumer/ Obligated Entity, for which the Distribution Licensee has paid to the consumer, such quantum of power shall be considered towards meeting RPO/RCO of the distribution licensee or any entity procuring energy on its behalf.

22.3 The energy generated from DRES by consumers, who are not Designated consumers /Obligated Entities, shall be considered for RPO/RCO compliance of the distribution licensee or any entity procuring energy on its behalf.

23. Metering Infrastructure

23.1 The cost of meters, cost of connectivity and all other related cost for setting up the meters etc. shall be borne by the eligible consumers under guidance of the concerned distribution licensee.

23.2 The distribution licensee shall test and install the meter in line with the provisions of the Central Electricity Authority (Installation and Operation of Meters) Regulations, 2006 as amended from time to time and OERC Supply Code, 2019 as amended from time to time. The meter shall be tested or checked in the presence of the prosumer or his authorized representative. If the prosumer chooses not to be present at the site for testing, the distribution licensee may carry out such testing. A copy of the meter test report shall be given to the prosumer.

23.3 All the meters installed at the DRES shall comply with the Central Electricity Authority (Installation and Operation of Meters) Regulations, 2006 and subsequent amendments thereof.

23.4 Meter shall have one port for downloading facilities of metered data through Common Meter Reading Instrument (CMRI) and another port/system for remote communication.

23.5 If the eligible consumer is under the ambit of Time of Day tariff (ToD tariff), both generation and bi-directional meters shall be capable of recording block-wise ToD consumption/generation.

24. Application Process and Procedure

24.1 The distribution licensee shall facilitate the process of setting up the DRES system. In this regard, the distribution licensee shall:

a) Prepare and submit to the Commission separate guidelines for DRES projects to be implemented under different metering mechanism within one month of date of notification of these Regulations in the official Gazette and notify the same after approval of the Commission.

b) Create/update a web-based portal for receiving applications from prosumers for installation, interconnection and metering of DRES at their premises within three months from the date of notifications of these Regulations.

c) Prominently display on its website and web-portal, the following; namely:

i. detailed standardized procedure for installation and commissioning of DRES under different metering mechanism under these Regulations;

ii. a single point of contact to facilitate the consumers in installation of DRES from the stage of submission of application form to commissioning.

iii. complete list of documents required to be furnished along with such applications.

iv. applicable charges to be deposited by the applicant.

v. Standard agreements for different metering mechanism defined under these Regulations;

vi. empanelled list of service providers for the benefit of consumers who want to install DRES through service providers;

vii. financial incentives to the prosumers, as applicable under various schemes and programmes of the Central and State Governments.

viii. record of capacity of DRES system installed under different metering mechanism.

ix. any other information relevant to DRES, the distribution licensee deems fit.

24.2 The distribution licensee shall prepare/amend the guidelines in accordance with the guidance provided by the Central and State Governments from time to time with prior approval of the Commission.

24.3 Matters related to subsidy application shall be dealt by the Nodal Agency appointed by Ministry of New and Renewable Energy & State Government from time to time.

25. Eligibility to Participate under Renewable Energy Certificate (REC) Mechanism

25.1 The issuance of Renewable Energy Certificate shall be as per the eligibility criteria specified under CERC (Terms and Conditions for Renewable Energy Certificates for Renewable Energy Generation) Regulations, 2022 and subsequent amendments.

26. Inconsistency with other Regulations of the Commission

26.1 Notwithstanding anything contained in other Regulations of the Commission, this Regulation shall have over-riding effect.

27. Issue of Orders and practice directions

27.1 Subject to the provisions of the Act and these Regulations, the Commission may, from time to time, either Suo Motu or on application filed before the Commission, issue such directions and orders, for effective implementation of these Regulations.

28. Power to remove difficulties

28.1 If any difficulty arises in giving effect to any of the provisions of these Regulations, the Commission may, by general or special Order, make such provision not inconsistent with the provisions of the Act or provisions of Regulations specified by the Commission, as may appear to be necessary for removing the difficulty in giving effect to the objectives of these Regulations.

29. Power To Relax

29.1 The Commission, for reasons to be recorded in writing, may relax any of the provisions of these Regulations on its own motion or on an application made before it by an interested person.

30. Power To Amend

30.1 The Commission, for reasons to be recorded in writing, may from time to time vary, alter or modify any of the provisions of these Regulations through amendment(s).

31. Interpretation

31.1 If a question arises relating to the interpretation of any provision of these Regulations, the decision of the Commission shall be final.

32. Inherent Power of the Commission

32.1 Nothing contained in these Regulations shall limit or otherwise affect the inherent powers of the Commission from adopting a procedure, which is at variance with any of the provisions of these Regulations, if the Commission, in view of special circumstances of the matter or class of matters and for the reasons to be recorded in writing, deems it necessary or expedient to depart from the procedure specified in these Regulations.

By Order of the Commission

UPENDRA KUMAR PATI

SECRETARY

Printed and Published by the Director, Directorate of Printing, Stationery and Publication, Odisha, Kataka-10
Ex. Gaz. 3908—173+20