

TAMIL NADU ELECTRICITY CONSUMERS' ASSOCIATION

Regd. No. 181-8524/1998

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TECA: 2012/2013/DB/98

23rd April 2013

To

All Members,

Dear Sir,

Members are aware that Tamil Nadu Government has announced Solar Energy Policy 2012 vide its Order No. G.O.Ms.No.121 Energy (C2) Department dated 19.10.2012 and specified various procedures and modalities notified for the compliance of HT consumers and others in the State of Tamil Nadu in the implementation of the policy.

Subsequently TNERC has passed an Order No. 1 of 2013 to implement the provisions of the Solar Policy which has been communicated by Government of Tamil Nadu under Section 108 of the Act.

This matter was discussed in detail, in the TECA office Bearers meeting held on 13.04.2013. and also with the office bearers of other associations. It was decided to file an appeal before Appellate Tribunal for Electricity(APTEL) at New Delhi on the following grounds:

1. Whether the State Government can issue a direction to TNERC to issue an order on TN Solar Energy Policy 2012, within the scope of Section 108 (1) of the Electricity Act 2003 when the policy itself is not in consonance with Section 86 (1) (e) of the Act and whether such directions are in consonance with the provisions and scheme of the Electricity Act 2003 and within the province of powers vested with the Government under the provisions of the Electricity Act 2003.
2. TNERC has discriminated in imposing the entire Solar Purchase Obligation (SPO) on one category of consumers, i.e., HT consumers and whether such discrimination has any nexus with the object of the policy of encouraging solar power consumption.
3. TNERC have erred in imposing the SPO at 3% of the total consumption even though many issues set out in paragraph 5 of the Order dated 07-03-2013 are yet to be finalized.
4. Whether TNERC have right in directing that the Order dated 07-03-2013 would be effective from 01-01-2013 when many of the obligated consumers are companies who close their account books on 31-03-2013 and for the purpose of Income Tax for the F.Y. 2012 - 2013 the expenditure cannot be quantified on account of the imprecise nature of the obligations.
5. TNERC have ignored the fact that on account of Restriction and Control Measures and unscheduled power cuts which range from 9 to 14 hours, during which time the consumer

will not be able draw and utilize power, it would be impossible for the obligated consumers to meet their obligations.

6. TNERC by way of imposing SPO imposed additional cost indirectly to the obligated consumers, which is in the nature of an increase in tariff.

7. Whether TNERC should have unseeingly given effect to the policy of the State Government which fails to incentivize production of solar power and merely created obligations.

8. The SPO imposed by TNERC, pursuant to the policy of the State Government, be to Renewable Purchase Obligations imposed by the Central Electricity Regulatory Commission and already implemented by TNERC.

9. Whether fixation of such a large quantum of 3% up to 31.12.2013 and 6% from 01.01.2014 would be appropriate and correct considering the non-availability of equivalent or sufficient solar installations in the entire State or in the entire Country as a whole on a realistic point of view.

In this connection we would like to inform you that we have filed the petition before APTEL on 22nd April 2013 and we will keep inform you the developments at the earliest.

With Warm Regards,

D. Balasundaram
President