

India's Electricity Sector Quarterly Round-Up

July-September 2026

Key Notifications

Parliament enacts the Mines and Minerals (Development and Regulation) Amendment Act, 2026

The Mines and Minerals (Development and Regulation) Amendment Act, 2026 (Act No. 20 of 2026) (MMDR Amendment Act) received Presidential assent and was published in the Gazette of India on 17 August 2026, further amending the Mines and Minerals (Development and Regulation) Act, 1957 (MMDR Act). The MMDR Amendment Act will come into force on a date notified by the Central Government and provides, *inter alia*, as follows:

- i. Section 2 of the MMDR Act (declaration of expediency of Central control over the regulation of mines) is amended to cover the regulation of "mines and mineral-bearing lands", extending central control beyond mines and expressly bringing "mineral-bearing lands" within the Centre's jurisdiction.
- ii. A new clause is inserted in Section 3 of the MMDR Act defining "mineral-bearing land" as land containing minerals in accordance with the parameters prescribed under clause (a) of sub-section (2) of Section 5 of the MMDR Act.
- iii. A new Section 9D limits a State Government's imposition of any tax, cess or levy on mineral rights or mineral-bearing lands, whether based on mineral quantity or value, except in accordance with conditions or restrictions prescribed by the Central Government.
- iv. Any such tax, cess or levy imposed by a State Government that was neither deposited with nor recovered by the State Government before commencement of the MMDR Amendment Act is deemed invalid at all material times. Any amount already deposited or recovered before commencement is not refundable.
- v. Section 13(2) of the MMDR Act (rule-making power of the Central Government) is amended to insert clause (ta), empowering the Central Government to prescribe conditions or restrictions on imposing a tax, cess or levy under Section 9D(1).

Central Government notifies the Draft Sustainable Harnessing and Advancement of Nuclear Energy for Transforming India (SHANTI) Rules, 2026

The Central Government, on 14 August 2026, issued the Draft Sustainable Harnessing and Advancement of Nuclear Energy for Transforming India (SHANTI) Rules, 2026 (SHANTI Rules) under Section 84(1) and other relevant provisions of the Sustainable Harnessing and Advancement of Nuclear Energy for Transforming India Act, 2025 (SHANTI Act), superseding six earlier atomic energy rules, including the Atomic Energy (Radiation Protection) Rules, 2004 and the Civil Liability for Nuclear Damage Rules, 2011. The SHANTI Rules apply from publication in the Official Gazette and establish the licensing, liability and institutional framework for nuclear energy activities in India.

They provide, *inter alia*, as follows:

- i. Composite, non-severable licences covering the lifecycle from construction to decommissioning may be granted for nuclear power plants/reactors (Part A), nuclear fuel fabrication facilities (Part B), uranium and thorium exploration/mining (Part C, restricted to Government or Government-controlled entities for mining above threshold grade), milling/ore processing plants (Part D), radiation-source manufacture (Part E), and foreign/domestic trade and transportation (Part F). Each category requires demonstrated financial, managerial and technical capability. Pre-licensing consultation and in-principle approval are available for nuclear power plants.
- ii. For nuclear power plants/reactors, technology may be sourced from the original technology developer or a licensed technology provider, subject to regulatory certification in the country of origin, no adverse impact on India's interests and conformity with national policies. Licensing hold points apply before construction, fuel receipt, initial fuel loading and renewal.
- iii. Spent fuel must be safely stored for a cooling period determined by the Atomic Board before repatriation, if contractually required, or delivery to the Central Government under the national spent fuel management policy. Radioactive waste is managed under the national radioactive waste management policy and Board authorisation.
- iv. Research and development not involving radioactive materials does not require a licence. Licence applications follow a structured process; licences remain valid through the design life or mining concession period, are renewable, and require written Board confirmation for life extension.
- v. Licensees have comprehensive compliance obligations covering general duties, employment conditions for radiation workers (minimum age 18 and restrictions for pregnant/lactating workers), record maintenance, and responsibilities of service providers, technology developers, manufacturers, suppliers and emergency response agencies.
- vi. Safety provisions address exclusions from regulatory control for non-amenable exposures; restrictions on practices such as deliberate radioactive addition to consumables; justification of practices; non-delegable prime responsibility for safety; medical exposure protocols; radioactive waste management; and emergency and existing exposure situations.
- vii. The Central Government provides chargeable services for radiological protection, environmental surveillance, emergency preparedness, stakeholder





awareness, centralised radioactive waste management, quality assurance and training/certification recognition. It may conduct inspections and investigations, including search and seizure with police assistance where necessary, and take enforcement action (modification, suspension, cancellation or derecognition). Affected persons may seek review before the Atomic Energy Redressal Advisory Council or appeal to the Appellate Tribunal.

- viii. Operators bear strict, no-fault liability for nuclear damage under the Act, must maintain insurance/financial security within the Second Schedule liability limits (reviewed every five years by an expert group), and must report nuclear incidents within prescribed timeframes.
- ix. Radiation damage (non-nuclear) liability rests with the licensee, safety-authorisation holder or consignor, subject to financial security under Schedule II. Claims are investigated by an Expert Advisory Committee, with compensation determined by the Central Government.
- x. Tariff for electricity, process heat and other nuclear-energy services is fixed under Section 37 of the Act on a Committee's recommendations. The Act establishes a Nuclear Liability Fund and a Spent Fuel Management Fund, funded through operator levies, and requires financial security for decommissioning nuclear power plants/reactors and other facilities.
- xi. The Central Government may acquire mining rights, facilities, plants, materials or equipment under Section 33 of the Act, including by assuming control after licence cancellation or plant abandonment through an Administrator who invites eligible persons to take over the licensed business.

Atomic Energy Regulatory Board notifies the Draft Sustainable Harnessing and Advancement of Nuclear Energy for Transforming India (SHANTI) Regulations, 2026

The Atomic Energy Regulatory Board (Atomic Board), on 14 August 2026, issued the Draft Sustainable Harnessing and Advancement of Nuclear Energy for Transforming India (SHANTI) Regulations, 2026 (SHANTI Regulations) under Section 85(1) and other enabling provisions of the SHANTI Act. The SHANTI Regulations apply from publication in the Official Gazette and establish the safety-authorisation framework for nuclear facilities, plants, mines and radiation facilities in India.

They provide, *inter alia*, as follows:

- i. Atomic Board safety authorisation is required for the nuclear facilities, plants and mines specified in Schedule I, for which a licensing authority has granted a licence, and for the radiation facilities listed there. The Atomic Board may exempt practices or radiation sources from regulatory control where exposure is too low to warrant elaborate control, subject to registration where appropriate.
- ii. For nuclear power plants or reactors (Part A), the licensee must obtain design approval before successive safety-authorisation stages for siting, construction, commissioning, operation and decommissioning; each stage requires specified documentation. Renewal requires a periodic safety review, and life extension beyond the design life requires written confirmation from the Atomic Board that the facility can operate safely.
- iii. Similar staged safety-authorisation regimes apply, commensurate with hazard potential, to other nuclear facilities and plants (Part B), mines (Part C) and radiation facilities (Part D). Radiation facilities also require type approval of equipment/sealed sources (Regulation 28), procurement approval (Regulation 30) and approval to transfer disused/decayed sources (Regulation 34).
- iv. Radioactive waste management requires separate Atomic Board authorisation for storage, transfer and disposal (Regulation 35). Foreign/domestic trade and transport of radiation sources require safety

authorisation for import, export, domestic trade and transport, respectively (Regulations 36 to 41).

- v. Safety authorisation remains valid for ten years or the licence validity period, whichever is shorter, subject to renewal, extension and transfer. Transfer requires prior Atomic Board permission and is coextensive with licence transfer. Authorisation may be suspended or cancelled for reasons including misrepresentation or conviction of an offence under the SHANTI Act.
- vi. Safety-authorisation holders bear non-delegable prime responsibility for safety and must comply with the authorisation's terms and conditions, maintain emergency-preparedness arrangements, and ensure radiation-protection programmes, personnel monitoring, health surveillance and radiation-warning symbols.
- vii. Special provisions govern medical exposure, food irradiation (subject to absorbed-dose limits and Schedule II dosimetry requirements) and waste-management responsibilities. Radiation-source suppliers may supply only type-approved sources and must facilitate safe disposal or repatriation.
- viii. The Atomic Board has residuary powers, may relax requirements without adversely affecting safety, and may amend the five Schedules.

Union Cabinet approves the Galvanizing Organic Bio-Agro Resources Dhan – National Circular Bioenergy Scheme

On 6 August 2026, the Union Cabinet approved the Galvanizing Organic Bio-Agro Resources Dhan (GOBARDhan) – National Circular Bioenergy Scheme with an outlay of INR 23,731 crore. The Ministry of Petroleum and Natural Gas (MoPNG) will implement the Scheme from FY 2026-27 to FY 2035-36. It aims to strengthen domestic energy production in light of India's dependence on natural gas imports for nearly half its requirements and recent geopolitical disruptions affecting global liquefied natural gas supply routes.

The Scheme provides, *inter alia*, as follows:

- i. The Scheme focuses on converting organic waste, including cattle dung, crop residue, kitchen waste and market waste, into Compressed Biogas (CBG) and bio-slurry, making CBG a key pillar of India's clean energy mix.
- ii. GOBARDhan consolidates all CBG initiatives under one ministry, replacing the earlier multi-ministry framework, and creates a unified CBG value-chain platform by building on existing initiatives, including the Sustainable Alternative Towards Affordable Transportation scheme, Market Development Assistance scheme, Biomass Aggregation Machinery scheme, Development of Pipeline Infrastructure scheme and central financial assistance under the National Bioenergy Programme.
- iii. City Gas Distribution (CGD) entities must procure CBG under phased offtake obligations of 3% in FY 2026-27, 4% in FY 2027-28 and 5% from FY 2028-29 onwards, creating a predictable long-term market, improving project viability and encouraging private investment.
- iv. A government-backed administered price of INR 2,110 per metric million British thermal unit provides long-term revenue certainty to producers while supporting consumer affordability through government-funded support and a substantially wider gas pool that protects consumers from material price impact.





- v. Eligible greenfield CBG projects may receive capital support of up to INR 2 crore/tonne/day of installed CBG capacity; brownfield expansion projects are also eligible.
- vi. Pipeline infrastructure development: the Scheme supports cluster-based and standalone pipelines connecting CBG plants with trunk pipelines and CGD networks, reducing evacuation costs, improving market access and increasing utilisation of domestically produced CBG.
- vii. Credit guarantee support: a dedicated mechanism will cover up to 85% of eligible loans for MSME-led CBG projects.
- viii. A dedicated fund supports district-level implementation and local CBG value chains, including feedstock mapping, aggregation infrastructure, district-level planning, technology adoption, organic-manure value addition, capacity building and stakeholder awareness.

Ministry of Power removes requirement for Route Approval Certificate from Power and Telecommunication Co-ordination Committee for transmission lines

The Ministry of Power (MoP), Government of India (GoI), by Office Memorandum (OM) dated 21 July 2026, removed the requirement for a Route Approval Certificate (RAC) from the Power and Telecommunication Co-ordination Committee (PTCC) for constructing or operating electricity transmission lines. The OM sets out a revised procedure for residual interference concerns involving railways and defence communication networks during transmission-line development and operation.

It provides, *inter alia*, as follows:

- i. Entities constructing or operating transmission lines of 66 kilovolts (kV) or below need not give prior notice to the railway or defence authorities of potential induction or interference from those lines.
- ii. After finalising the route alignment of an electric line of 220 kV and above, the entity constructing or operating the line must inform the railways and defence authorities through the Central Electricity Authority (CEA) and send copies of notifications issued under Section 164 of the Electricity Act, 2003 (Electricity Act) to the Ministry of Defence and Railway Board.
- iii. The relevant authorities must respond with any mitigation measures within 60 (sixty) days of receiving the route alignment; otherwise, deemed no objection applies. The concerned entity bears the mitigation or protection costs determined and communicated by the relevant authority.
- iv. A difference of opinion between the entity and the affected authority on the assessment, scope, implementation, technical adequacy or cost of mitigation measures may be referred to the CEA, which will examine the issue with the parties and facilitate resolution under applicable laws, technical standards and safety requirements.
- v. The relevant authority must report any failure by the entity to implement mitigation measures or pay the required costs to the CEA, which will take cognisance and ensure completion before the line is first charged.
- vi. States may nominate the state transmission utility or another body as nodal agency to perform CEA-like functions for electric lines up to and including 132 kV.

Ministry of New and Renewable Energy (MNRE) seeks compliance status from Wind Original Equipment Manufacturers on cyber security requirements under the amended Approved List of Models and Manufacturers of Wind Turbines (ALMM) (Wind) Procedure

MNRE, by an OM dated 20 August 2026 issued by the Wind Energy Division, directed all OEMs listed in the ALMM (Wind) to provide compliance status and documentary evidence for the cyber security requirements introduced by the amendment to the ALMM Procedure dated 31 July 2025.

The amendment dated 31 July 2025 to the "Procedure for inclusion/updating Wind Turbine Model in the Approved List of Models and Manufacturers of Wind Turbines (ALMM)" introduced the following cyber security requirements:



The data centre must be located in India.



Real-time operational data must not be transferred outside India.



The Research & Development (R&D) centre must be located in India within 1 (one) year of the amendment.

MNRE mandates data residency and inverter-level data disclosure requirements for Rooftop Solar systems under PM Surya Ghar: Muft Bijli Yojana

MNRE, by an OM dated 17 August 2026 issued by the Rooftop Solar Division, directed Inverter OEMs/manufacturers to comply with data-residency and disclosure requirements for Rooftop Solar (RTS) systems installed under the PM Surya Ghar: Muft Bijli Yojana (PMSG: MBY) scheme, citing cyber security risks from inverter communication modules transmitting data to servers outside India.

Inverter OEMs/manufacturers must ensure that applications, associated monitoring and control servers, and real-time RTS data, including data hosted on cloud platforms, are stored in an encrypted, secure and protected environment located exclusively in India. They must also include datalogger warranty within the Inverter Warranty.

An Inverter OEM/manufacture that fails to furnish written confirmation within 30 (thirty) days of the OM (by 16 September 2026) may not install its systems in Rooftop Solar installations under the scheme.

All Inverter OEMs must provide cumulative daily energy-generation data mapped to the Inverter Serial Number, or another identifier specified by MNRE, to the National Portal through a uniform Application Programming Interface (API) for



PMSG: MBY installations until central servers at the State or DISCOM level can independently capture and forward the data.

MNRE advises Renewable Energy Implementing Agencies (REIAs) and State/ Union Territory (UT) Governments to consider Force Majeure claims on account of West Asia situation for renewable power projects

MNRE, by an OM dated 6 July 2026, advised REIAs, State/Union Territory Governments and their agencies to consider force majeure claims by renewable power developers for project-implementation delays caused by disruptions arising from the West Asia situation.

The OM relies on the Department of Expenditure, Ministry of Finance, OM dated 29 April 2026, which clarifies that the ongoing West Asia situation is treated as "War" for triggering a force majeure event.

For goods and services contracts and construction/works contracts with Government agencies, procuring entities may invoke force majeure where contractual obligations falling due on or after 28 February 2026 were directly or consequentially affected by disruptions arising from the West Asia situation. They may extend the completion date by 2 to 4 months without imposing a cost or penalty on the contractor.

The procuring entity must determine the extension period on a case-by-case basis after examining the claim's admissibility under force majeure.

Force majeure may be invoked only if the parties were not in default as of 27 February 2026. It excuses only non-performance directly attributable to disruptions caused by the West Asia situation and does not excuse all non-performance.

All contractual obligations automatically revive when the extended period ends.

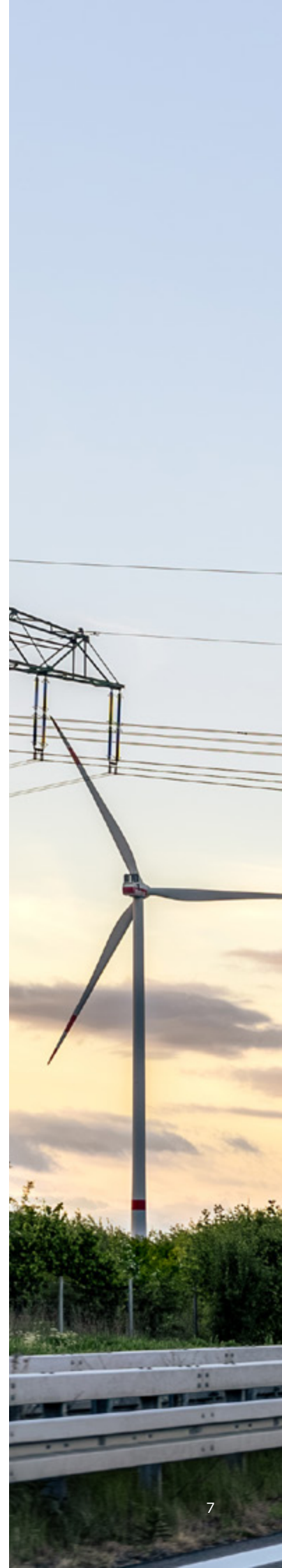
Ministry of Coal notifies the Colliery Control (Amendment) Rules, 2026

The Ministry of Coal (MoC), by notification dated 6 August 2026, notified the Colliery Control (Amendment) Rules, 2026 under sub-sections (1) and (2) of Section 18 of the MMDR Act, further amending the Colliery Control Rules, 2004.

Rule 9 of the Colliery Control Rules, 2004, requiring prior approval to open a coal mine, seam or section of a seam, has been replaced. A company registered under the Companies Act, 2013 may do so only with prior Board approval; a statutory corporation established by or under a Central or State enactment requires prior approval of its Governing Authority (Board, committee, etc.).

Before granting approval, the Board or Governing Authority must ensure that all required permissions from the Central Government, State Government and statutory bodies have been obtained and complied with.

The owner must notify the Coal Controller Organisation (CCO) within 15 (fifteen) days of opening the coal mine, seam or section of a seam, in the form prescribed





by the CCO. An owner that is neither a company registered under the Companies Act, 2013 nor a statutory corporation may open a mine, seam or section only with prior CCO approval. These requirements also apply to restarting mining operations discontinued for 180 (one hundred and eighty) days or more.

MoC extends tenure of auctioned coal linkages for the Syngas/Coal Gasification sub-sector under Non-Regulated Sector Linkage Auction from 15 years to 30 years

The MoC approved the extension of the tenure of coal linkages under the “Production of Syngas leading to Coal Gasification” sub-sector in the Non-Regulated Sector Linkage Auction.

Earlier Non-Regulated Sector coal-linkage auction guidelines allowed new Fuel Supply Agreements (FSAs) to have a tenure determined by the MoC of up to 15 years. The MoC has extended the tenure for coal linkages under the “Production of Syngas leading to Coal Gasification” sub-sector to 30 years, aligning it with the project cycle and the tenure for coking-coal linkages to the steel sector.

MoC invites comments on draft amendments to rules consequent to enactment of the Jan Vishwas (Amendment of Provisions) Act, 2026

On 13 July 2026, the MoC invited comments and suggestions from the general public, State/Union Territory Governments, mining-industry stakeholders and industry associations on draft amendments to three sets of rules under the MMDR Act, following the decriminalisation of certain contraventions by the Jan Vishwas (Amendment of Provisions) Act, 2026.

The Notice provides, *inter alia*, as follows:

- i. Draft Minerals Concession (Second Amendment) Rules, 2026: proposes omitting Rule 76 of the Minerals Concession Rules, 1960 and replacing it with a new Rule 76 providing that contraventions of those rules are subject to penalties under Sections 25A and 25B of the MMDR Act and the Minerals (Manner of Holding Inquiry and Appeal) Rules, 2026.
- ii. Draft Colliery Control (Amendment) Rules, 2026: proposes omitting Rule 13 of the Colliery Control Rules, 2004 and replacing it with a new Rule 13 in identical terms, making contraventions subject to penalties under Sections 25A and 25B of the MMDR Act and the Minerals (Manner of Holding Inquiry and Appeal) Rules, 2026.
- iii. Draft Coal Blocks Allocation (Second Amendment) Rules, 2026: proposes inserting Rule 18 (Penalty) after Rule 17 of the Coal Blocks Allocation Rules, 2017, making contraventions subject to penalties under Sections 25A and 25B of the MMDR Act and the Minerals (Manner of Holding Inquiry and Appeal) Rules, 2026.

Central Electricity Authority (CEA) issues Draft Central Electricity Authority (Technical Standards for Construction of Electric Plants and Electric Lines) (2nd Amendment) Regulations, 2026

The CEA issued the Draft Central Electricity Authority (Technical Standards for Construction of Electric Plants and Electric Lines) (Second Amendment) Regulations under Section 177(2)(e) of the Electricity Act, amending the CEA (Technical Standards for Construction of Electric Plants and Electric Lines)

Regulations, 2010. The Draft Amendment would substitute Regulation 106B(20) to provide, *inter alia*, as follows:

- i. Renewable energy power plants commissioned after 1 July 2027 must have at least 15% (fifteen per cent) of inverters with Grid Forming (GFM) control. All Power Conversion Systems (PCS) of Battery Energy Storage Systems (BESS) must have GFM control and comply with the technical requirements under the CEA (Technical Standards for Connectivity to the Grid) Regulations.
- ii. Ground-mounted solar and onshore wind power plants commissioned after 1 July 2027 must have a co-located ESS with at least 2 (two) hours' storage duration and capacity of at least 10% (ten per cent) of installed plant capacity.
- iii. For such plants commissioned after 1 July 2029 and up to 30 June 2031, the co-located ESS must have at least 4 (four) hours' storage duration; the capacity requirement remains at least 10% (ten per cent) of installed capacity. The CEA will notify any future change in the percentage requirement for GFM capability or ESS capacity.

Comments/suggestions/objections are invited from all stakeholders by 4 October 2026.

CEA issues Draft Central Electricity Authority (Technical Standards for Connectivity to the Grid) Regulations, 2026

The Central Electricity Authority issued the Draft Central Electricity Authority (Technical Standards for Connectivity to the Grid) Regulations, 2026 (Draft Connectivity Standards) under Section 177 of the Electricity Act, superseding the CEA (Technical Standards for Connectivity to the Grid) Regulations, 2007.

The Draft Connectivity Standards propose, *inter alia*, as follows:

- i. Comprehensive technical requirements apply to synchronous and asynchronous generating stations, Energy Storage Systems (ESS), High Voltage Direct Current (HVDC) systems, Flexible AC Transmission Systems (FACTS) devices, bulk consumers and distribution systems, covering active and reactive power capability, voltage and frequency ride-through and related matters.
- ii. Generating units with an aggregate capacity of 100 (one hundred) MW and above must be able to receive active and reactive power signals from the State Load Despatch Centre (SLDC) or Regional Load Despatch Centre (RLDC); the threshold is 10 (ten) MW for asynchronous generating stations.
- iii. BESS with an aggregate capacity of 50 (fifty) MW and above must have Black Start capability, to be used at the direction of the appropriate Load Despatch Centre. VSC-based HVDC systems and, where feasible, gas turbine and hydro generating stations are also subject to Black Start capability requirements.
- iv. Generating units or stations must register with CEA's e-GEN portal and obtain a Unique Registration Number before connectivity is granted.
- v. Power-quality requirements cover harmonic-current distortion, voltage unbalance, flicker and DC-content limits, as well as data communication, protection and cyber security compliance.



- vi. Schedule III sets out an 8 (eight)-stage connectivity procedure, from Planning and Interconnection Study through Trial Run and Declaration of Commercial Operation.
- vii. The concerned RLDC/SLDC must report real-time non-compliance to CEA within 7 (seven) days of a grid incident. The user must submit a detailed report, including reasons and planned corrective measures, to the appropriate Load Despatch Centre within 3 (three) days. CEA may direct the appropriate Transmission Utility to disconnect the non-compliant user until compliance is achieved; the non-compliance is also actionable under Section 146 of the Electricity Act.

Comments/suggestions/objections are invited from all stakeholders by 2 October 2026.

CEA notifies Central Electricity Authority (Cyber Security in Power Sector) Regulations, 2026

CEA, by notification dated 31 July 2026, notified the Central Electricity Authority (Cyber Security in Power Sector) Regulations, 2026 under Section 177 read with Section 73(c) of the Electricity Act to ensure the safe and secure operation and maintenance of electrical plants and lines. The Cyber Security Regulations take effect on 1 April 2027, except for specified provisions on data localisation and physical isolation of Operational Technology (OT) systems and communication channels, which take effect on dates separately notified.

The Cyber Security Regulations apply to entities owning, operating or managing OT infrastructure interconnected with the power system and associated Information Technology (IT) infrastructure. Generating companies, captive generating plants and ESS-owning organisations are covered only at 50 (fifty) MW or above; entities below that threshold are encouraged to adopt CERT-In's baseline controls for MSMEs. The Regulations also cover power exchanges and Over the Counter (OTC) platforms, but exempt those platforms from Regulation 6 (OT-specific requirements) and Regulations 11 and 12 (vendor obligations).

CEA circulates Draft Format for External Safety Audit of Battery Energy Storage Systems

CEA, on 7 July 2026, circulated a draft format for the External Safety Audit of Battery Energy Storage System (BESS) installations (Draft BESS Audit Format), setting out the audit structure, checklists and minimum procedure for audit agencies and the corresponding report submitted to CEA.

Grid Controller of India Limited (Grid-India) issues the NLDC Operating Procedure, 2026

The National Load Despatch Centre (NLDC) issued the NLDC Operating Procedure, 2026 (Procedure) dated 19 August 2026 under Regulation 28(3) of the Indian Electricity Grid Code, 2023. The Procedure supersedes the earlier procedure issued by the NLDC/RLDCs and establishes the framework for integrated national power system operation.





The Procedure and its Annexures provide, *inter alia*, as follows:

The Procedure assigns roles and responsibilities to the NLDC, Regional Load Despatch Centres (RLDCs) and State Load Despatch Centres (SLDCs) for the secure, reliable, efficient and economic operation of national and regional power systems. It is to be read with Central Electricity Authority (CEA) standards and Central Electricity Regulatory Commission regulations; the latter prevail in case of ambiguity. It covers the following:

DEMAND ASSESSMENT AND RESOURCE ADEQUACY (CHAPTERS 2-3)

SLDCs must forecast demand annually, monthly, weekly and daily within defined timelines. RLDCs and the NLDC aggregate regional and national estimates and calculate forecasting errors for publication. The Procedure prescribes year-ahead, month-ahead, week-ahead/day-ahead and intra-day/real-time planning, including NLDC's annual publication, by 31 July, of a one-year look-ahead Short-term National Resource Adequacy Plan based on STU/SLDC data in prescribed formats.

TRANSMISSION OUTAGE COORDINATION AND NETWORK SECURITY (CHAPTERS 4-5)

A tiered outage-approval framework applies by voltage level and element category, identifying the SLDC/RLDC/NLDC consenting authority and setting timelines for requests, comments and approval, including final consent by 12:00 hours of D-1. Protocols govern real-time operational codes before outages are implemented or restored. Power system states (normal, alert, emergency, extreme emergency and restorative) are defined under Regulation 35(1) of the IEGC, with switching protocols for important elements.

FREQUENCY, VOLTAGE AND REACTIVE POWER CONTROL (CHAPTERS 6-7)

Grid frequency must remain within the IEGC band of 49.90-50.05 Hz through primary control (Free Governor Mode of Operation), secondary control (Secondary Reserve Ancillary Services) via Automatic Generation Control and tertiary control (Tertiary Reserve Ancillary Services (TRAS)), with measures for high- and low-frequency conditions.

Steady-state voltage operating ranges are prescribed for each voltage class, with corrective measures for high- and low-voltage conditions, including reactor/capacitor switching, generator VAR management and line switching as a last resort.

FIRST-TIME ENERGISATION, DEFENCE MECHANISMS AND GRID DISTURBANCE (CHAPTERS 8-10)

Detailed procedures govern user registration, interconnection studies, data submission, trial runs and certificates of successful trial runs for the first-time energisation of new or altered power system elements, with jurisdiction divided between the NLDC and RLDCs.

Protection systems, under-frequency/under-voltage relay schemes, System Protection Schemes and islanding schemes form the defence mechanisms, with fault-clearance times of 100 ms for 765/400 kV and 160 ms for 220/132 kV and corresponding reporting obligations.

Grid disturbances are classified as GD-1 to GD-5 under the CEA Grid Standards. The SLDC/RLDC/NLDC must prepare and update restoration procedures annually and identify black-start-capable units, cranking paths and priority loads.

EVENT REPORTING, SCHEDULING AND DESPATCH (CHAPTERS 11-12)

Significant events, including security violations, islanding, blackouts and protection failures, must be reported through flash, detailed and periodic reports in prescribed formats.

Day-ahead scheduling follows a timeline from the declaration of Declared Capacity at 06:00 hours through SCUC results at 15:00 hours and real-time market gate closures, including Minimum Turndown Level support under SCED and schedule revisions.

TEMPORARY GENERAL NETWORK ACCESS (CHAPTER 13)

A comprehensive T-GNA framework covers registration, standing clearance, advance and exigency applications, commercial conditions (application fees, operating charges and transmission charges), default handling and charge disbursement under the CERC (Connectivity and General Network Access to the Inter-State Transmission System) Regulations, 2022.

MONITORING SYSTEMS, CYBER SECURITY AND COMMUNICATION (CHAPTERS 14-16)

Supervisory Control and Data Acquisition systems, Wide Area Monitoring Systems and Renewable Energy Management Centres support real-time monitoring, state estimation, contingency analysis and forecasting, with disaster-recovery arrangements at backup control centres.

Cyber security coordination follows the CEA (Cyber Security in Power Sector) Guidelines, 2021 and the newly notified CEA (Cyber Security in Power Sector) Regulations, 2026, effective 1 April 2027. Requirements include Information Security Divisions, incident reporting to CERT-In and periodic security audits.

PERIODIC TESTING (CHAPTER 17)

Power-system elements (synchronous generators, non-synchronous/IBR generators and HVDC/FACTS devices) must undergo periodic testing every five years or after major retrofitting, covering real and reactive power capability, governor/AGC performance and other prescribed parameters, with detailed testing guidelines and reporting formats.

Central Electricity Regulatory Commission notifies the Central Electricity Regulatory Commission (Deviation Settlement Mechanism and Related Matters) (Third Amendment) Regulations, 2026

The Central Electricity Regulatory Commission, by notification dated 25 August 2026, notified the Third Amendment to the CERC (Deviation Settlement





Mechanism and Related Matters) Regulations, 2024, effective 31 August 2026, revising deviation-charge treatment for WS Sellers and Standalone Energy Storage Systems.

The Third Amendment, *inter alia*:

- i. Provides that deviation charges for WS Sellers are treated at par with those for General Sellers for bidding-route projects with tendering/bid-submission dates on or after 1 January 2027 and for other projects with COD on or after 1 January 2029.
- ii. Clarifies that deviation charges for a standalone Pumped Hydro Storage Plant under Section 62 of the Act are computed at the energy-charge rate specified under the CERC (Terms and Conditions of Tariff) Regulations, 2024.
- iii. Introduces compensation for infirm power injected by a Standalone Energy Storage System from first synchronisation until successful trial run, payable at the Normal Rate of Charges for Deviation, subject to a ceiling of INR 2.00/kWh.
- iv. Inserts an alternative timeline for payment of deviation charges into the Deviation and Ancillary Services Pool Account: within 10 days of issuance of charges or within the timeline in the Detailed Procedure approved by the Commission. Corresponding flexibility applies to the encashment of Letters of Credit on default.

CERC notifies Draft CERC (Sharing of Inter-State Transmission Charges and Losses) (Fifth Amendment) Regulations, 2026

CERC, by draft notification dated 31 July 2026, issued the draft Fifth Amendment to the CERC (Sharing of Inter-State Transmission Charges and Losses) Regulations, 2020, addressing transmission-deviation computation for entities with dual STU/CTU connectivity and refining the waiver framework for renewable-energy transmission charges.

The Draft Amendment, *inter alia*:

- i. Prescribes a revised methodology for computing transmission deviation of States or drawee entities using dual connectivity to State Transmission Utility and Central Transmission Utility networks under the GNA Regulations, factoring in actual or scheduled drawal through STU feeders.
- ii. Extends the transmission-charge waiver, available for up to 25 years from COD, to co-located Battery Energy Storage Systems forming an integral part of a Renewable Energy Generating Station or Renewable Hybrid Generating Station where the combination is scheduled as a single entity.
- iii. Introduces a distinct waiver trajectory (Table 6) for wind/solar REGS or RHGS projects with long-term contracts of at least seven years entered into on or before 31 December 2026, where commissioning is delayed beyond the firm start date of Connectivity due to transmission-system unavailability, provided COD is achieved within two months of GNA effectiveness.
- iv. Permits Energy Storage Systems procuring power through collective transactions under the Green Day-Ahead Market to count that energy towards the 51% renewable-energy requirement, based on a proportional certificate issued by the concerned Power Exchange.
- v. Mandates that the Implementing Agency publish revised detailed procedures within 60 days of notification, following stakeholder consultation.

CERC notifies Draft CERC (Indian Electricity Grid Code) (Second Amendment) Regulations, 2026

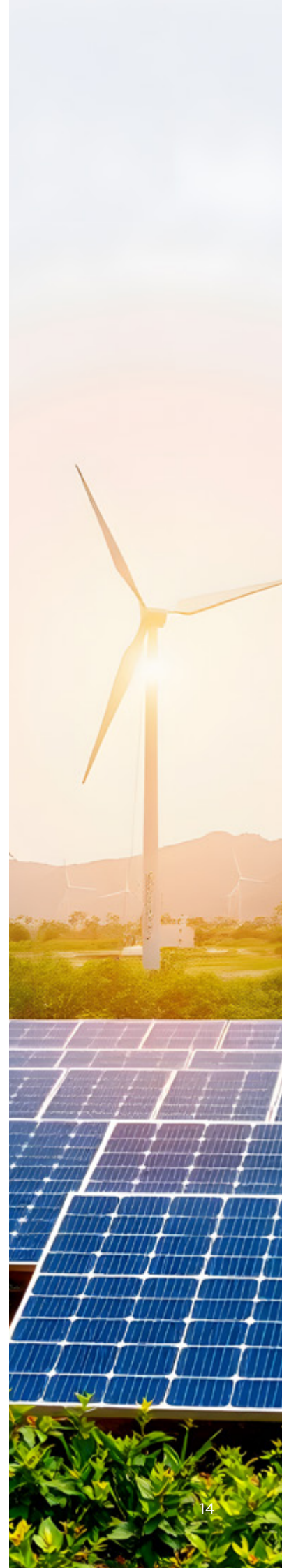
CERC, by draft notification dated 21 September 2026, issued the draft Second Amendment to the CERC (Indian Electricity Grid Code) Regulations, 2023 (IEGC 2023), introducing a Congestion Charge mechanism, revised trial-run/COD provisions for Pumped Storage Plants and Standalone ESS, and phased reductions in scheduling-revision timelines.

The Draft Amendment, *inter alia*:

- i. Introduces a formal “Congestion Charge” mechanism for the first time (new Regulation 30A). Regional entities causing congestion on inter-regional/intra-regional transmission corridors must pay the charge, which is receivable by entities relieving the congestion. The Commission will notify rates separately, and the NLDC must frame a detailed procedure within 60 days.
- ii. Prescribes trial-run and COD requirements for Pumped Storage Plants and Standalone Energy Storage Systems, other than Pumped Storage Plants, of 50 MW and above, including deemed COD where rated capacity cannot be demonstrated because of insufficient reservoir levels.
- iii. Introduces graduated access regulation for entities defaulting on statutory dues (DSM, congestion or reactive-energy charges) or payment-security obligations, escalating from Temporary-GNA to GNA contracts, with a progressive 5% (five per cent) monthly reduction for other contract categories.
- iv. Enables State Governments holding free-power entitlements in Central Hydro Generating Stations to schedule and sell their shares directly from the generating-station bus bar, supported by a new Annexure 8 procedure for scheduling, accounting and deviation settlement.
- v. Implements a two-phase reduction of the day-ahead scheduling-revision cut-off from the 8th/7th time block to the 6th/ultimately the 5th time block before delivery, with corresponding compression of real-time market finalisation from 22:45/23:00 hours to 23:15/23:30 hours. The second phase takes effect on 1 April 2027.
- vi. Revises the Security Constrained Unit Commitment (SCUC) mechanism to allow NLDC to run SCUC at any time for grid security; introduces schedule adjustments for generating stations declaring units under Unit Shut Down (USD); and refines alternate-source scheduling to require express buyer consent, including standing consent, to share net savings.

West Bengal Electricity Regulatory Commission issues the Draft West Bengal Electricity Regulatory Commission (Electricity Supply Code) (First Amendment) Regulations, 2026

The West Bengal Electricity Regulatory Commission (WBERC) has invited comments, suggestions and objections from all stakeholders and interested persons on the Draft WBERC (Electricity Supply Code) (First Amendment) Regulations, 2026 (Draft Amendment Regulations).





The Draft Amendment Regulations provide, *inter alia*, as follows:

- i. A new Regulation 5.4.A would require provisional and final assessment orders for unauthorised use of electricity to show detailed computations transparently. The computation sheet must state, *inter alia*, the nature of unauthorised use, inspected-load details, applicable tariff category, energy and demand/fixed-charge rates, the provisional-amount breakdown under clause (a), (b) or (c) of Regulation 5.1, and the order's issue date; the total must be rounded to the nearest rupee.
- ii. A new Regulation 5.4.B would require the assessing officer to photograph the premises, service line, meter and seals, and connected loads during inspection, showing the unauthorised use and inspected load reflected in the computation sheet. Photographs must show the date and time of capture and be served with the provisional assessment order. If obstruction prevents photography, the officer must record it in the inspection report in the presence of two independent witnesses and state it in the provisional assessment order.

WBERC invited stakeholder comments, suggestions and objections on the draft regulations by 16 September 2026.

WBERC notifies the WBERC (Terms and Conditions of Tariff) Regulations, 2026

WBERC, by notification dated 13 July 2026, notified the WBERC (Terms and Conditions of Tariff) Regulations, 2026. The Regulations took effect on 1 August 2026 and repeal the WBERC (Terms and Conditions of Tariff) Regulations, 2011.

Key features are as follows:

- i. The Regulations apply to the determination of Aggregate Revenue Requirement (ARR), Tariff, Mid-term Review and Truing-up for all existing and future Generating Companies, Transmission Licensees and Distribution Licensees in West Bengal, including Generating Companies with integrated coal or lignite mine(s). They exclude generating stations whose tariff is discovered through competitive bidding under Section 63 and renewable cogeneration-based generating stations governed by separate regulations.
- ii. Tariff is determined under a 5 (five)-year Control Period Multi-Year Tariff (MYT) framework. Generating Companies and Transmission Licensees receive tariff determination for the full period; Distribution Licensees receive annual determinations, with a mandatory Mid-term Review after the third year and truing-up petitions due by 30 November each year.
- iii. Performance variations are "controllable" (for example, technical/commercial losses, O&M expenses and interest on working capital) or "uncontrollable" (for example, force majeure, Change in Law, taxes/duties, fuel-cost variation and interest-rate variation), with different pass-through and gain/loss-sharing mechanisms. Uncontrollable gains/losses pass through in full, subject to a prudence check; controllable gains/losses are shared 1:2 between consumers/beneficiaries and the licensee/generating company.
- iv. Tariff proceedings must follow the Commission's Conduct of Business Regulations. The Commission may determine Tariff suo motu or on a Petition and must adopt tariff discovered through transparent competitive bidding under Section 63, subject to verifying compliance with Central Government guidelines.

- v. Generation tariff determination: for existing generating stations, tariff continues under Commission-approved Power Purchase Agreements (PPAs). Where no PPA is approved, the Distribution Licensee must seek approval within 3 (three) months of commencement of the Regulations. New generating stations require prior investment approval and an approved PPA. Distribution Licensees with their own generating stations must determine the transfer price as for third-party generating stations and maintain separate Allocation Statements.
- vi. The Commission must issue a Tariff Order, accepting it with modifications or rejecting it with reasons after hearing, within 120 (one hundred and twenty) days of admitting a complete petition. It must communicate the order to the State Government and the applicant within 7 (seven) days and upload it to its website. The applicant must publish the salient features of the approved tariff in at least 4 (four) newspapers, including 1 (one) Bengali and 1 (one) English newspaper, and on its website.
- vii. Tariff may not ordinarily be amended more than once a year, except for FPPAS changes, and revisions are normally prospective. Amounts recovered above the determined tariff must be refunded with interest at the bank rate and may not be recovered through ARR.
- viii. Detailed provisions govern capital-cost computation, prudence check, debt-equity ratio (normative 70:30), Return on Equity (base rates of 14.00% to 16.50% depending on asset class and vintage, grossed up for tax), interest on loan capital, additional capitalisation (within scope, beyond scope and for Renovation & Modernisation), depreciation (different regimes for assets capitalised before and after 1 April 2027), Operation & Maintenance expenses, interest on working capital, rebates, delayed payment surcharge, reserves for unforeseen exigencies and development-fund contributions.
- ix. The Capital Expenditure Approval Framework (Schedule 3) requires in-principle Commission approval for “DPR Schemes” exceeding prescribed thresholds, including INR 25 Crore for Generating Companies/Distribution Licensees and INR 50 Crore for Transmission Licensees. Final capital-cost approval occurs at truing-up.

Madhya Pradesh Electricity Regulatory Commission notifies 6th Amendment to the Madhya Pradesh Electricity Regulatory Commission (Cogeneration and Generation of Electricity from Renewable Sources of Energy) (Revision-II) Regulations, 2021

The Madhya Pradesh Electricity Regulatory Commission (MPERC), by notification dated 4 August 2026, notified the Sixth Amendment to the MPERC (Cogeneration and Generation of Electricity from Renewable Sources of Energy) (Revision-II) Regulations, 2021, introducing an Energy Storage Obligation (ESO) under Madhya Pradesh’s Renewable Purchase Obligation (RPO) framework.

The Sixth Amendment, *inter alia*:

- i. Introduces a phased ESO for distribution licensees and other obligated entities, requiring procurement of renewable energy (RE) through storage equal to 2.5% of total electricity procurement in FY 2026-27, increasing to 4.0% in FY 2029-30.





- ii. Provides that ESO is calculated as a percentage of total electricity procurement on an energy basis and is fulfilled only if at least 85% of total annual energy stored in the Energy Storage System (ESS) is procured from RE sources.
- iii. Clarifies that RE procured and stored for ESO also counts towards the total RPO prescribed under the Regulations.
- iv. Provides for periodic review of ESO, considering commissioning and operation of Pumped Storage Projects (PSPs), commercially viable storage technologies and reductions in Battery Energy Storage System (BESS) costs.

MPERC issues Draft 2nd Amendment to the MPERC (Recovery of expenses and other charges for providing electric line or plant used for the purpose of giving supply) (Revision-II) Regulations, 2022

MPERC, by public notice dated 9 September 2026, issued the Draft Second Amendment to the MPERC (Recovery of Expenses and Other Charges for Providing Electric Line or Plant Used for the Purpose of Giving Supply) (Revision-II) Regulations, 2022 (Draft Second Amendment), proposing changes to the recovery of supply-related and supervision charges in Madhya Pradesh.

The Draft Second Amendment proposes, *inter alia*, to:

- i. Substitute Regulation 4.3.3 to prescribe Supply Affording Charges of INR 1,260 per kVA, or part thereof, of contract demand, payable by all consumers.
- ii. Provide that, for consumers connected at 33 kV and above, INR 1,100 per kVA, or part thereof, of Supply Affording Charges is remitted directly by the consumer to the transmission licensee to part-finance EHT substation infrastructure.
- iii. Amend the supervision-charge schedule for shifting electric lines, poles and substations for the construction of national highways under "Bharat Mala Pariyojna" and for projects of national importance or wider public interest.

The Draft Second Amendment was issued for stakeholder consultation, with suggestions, objections and comments invited by 30 September 2026. MPERC scheduled a hybrid public hearing for 6 October 2026 at 12:00 hours for persons who submitted written suggestions, objections or comments within the stipulated period.

Relaxation under Regulation 172 of the Delhi Electricity Regulatory Commission (Terms and Conditions for Determination of Tariff) Regulations, 2017 and its amendments thereof, Order dated 10 August 2026 (DERC)

The Delhi Electricity Regulatory Commission (DERC), exercising its power under Regulation 172 of the DERC (Terms and Conditions for Determination of Tariff) Regulations, 2017, relaxed the 10% ceiling on Fuel and Power Purchase Adjustment Surcharge (FPPAS) under Regulation 134(d). It permitted BSES Rajdhani Power Limited (BRPL), BSES Yamuna Power Limited (BYPL) and Tata Power Delhi Distribution Limited (TPDDL) to recover additional FPPAS for June 2026, resulting in total recoverable FPPAS of 17.94%, 17.43% and 18.50%, respectively, for one month from the date of the Order, 9 September 2026.

DERC notifies the DERC (Net Metering for Renewable Energy) (Second Amendment) Guidelines, 2026

DERC, by amendment dated 16 July 2026, notified the DERC (Net Metering for Renewable Energy) (Second Amendment) Guidelines, 2026, revising the application, registration and connectivity-grant process for renewable-energy systems under the net-metering framework.

The Second Amendment, *inter alia*:

- i. Replaces the three-tier net-metering application process with two stages: (a) Technical Feasibility Analysis; and (b) Integrated Document Verification, Inspection and Net Meter Installation. The process must be completed online through designated portals.
- ii. Provides that no technical feasibility analysis is required for renewable-energy systems up to 10 kW on the same supply type, for which feasibility is deemed granted. Feasibility is also deemed granted if the Distribution Licensee does not communicate the outcome within 15 days.
- iii. Provides that the Distribution Licensee must complete document verification, inspection, testing, net-meter installation, registration and connectivity grant within 10 days of electronic acknowledgement of the required submission, subject to timelines for curing deficiencies.
- iv. Prescribes a maximum cumulative connectivity-grant period of 25 days for renewable-energy systems above 10 kW and 10 days for systems up to 10 kW on the same supply type, excluding the applicant's time for system installation and curing deficiencies or defects.
- v. Provides that the Connection Agreement must be executed digitally through the applicable online portal at Stage II. Domestic consumers with systems up to 10 kW may accept electronically; other consumers require electronic or digital signatures.

Bihar Electricity Regulatory Commission issues Draft 1st Amendment to the Bihar Electricity Regulatory Commission (Renewable Purchase Obligation, its compliance and REC Framework Implementation) Regulations, 2025

The Bihar Electricity Regulatory Commission (BERC), by Public Notice No. 11 dated 17 September 2026, initiated Suo-Motu Proceeding No. SMP-40/2026 to notify the draft BERC (Renewable Purchase Obligation, its Compliance and REC Framework Implementation) (First Amendment) Regulations, 2026 (Draft RPO Amendment), amending the BERC (RPO, its Compliance and REC Framework Implementation) Regulations, 2025.

The Draft RPO Amendment, *inter alia*, proposes to:

- i. Insert Regulation 4.1(e), excluding electricity consumed from nuclear power sources from the Renewable Purchase Obligation (RPO) of all obligated entities.
- ii. Insert Regulation 4.1(f), requiring open-access consumers and captive users to meet RPO from any renewable-energy source. For open-access consumers, RPO includes electricity consumed at the grid drawl point.





- iii. Insert Regulation 4.1(g), providing that captive-user RPO includes electricity generated and self-consumed, excluding auxiliary consumption, but excludes electricity generated and self-consumed from fossil-based waste-heat-recovery processes (except through a Waste Heat Recovery Steam Generator in a captive Combined Cycle Gas-Based Generating Station), waste-energy recovery from by-product gases or residual industrial energy sources, 50% of electricity from fossil-fuel-based cogeneration plants and 50% of fossil-fuel-based electricity consumed in aluminium smelters.
- iv. Insert Regulation 4.1(h), providing that distribution-licensee RPO is calculated on electricity supplied to consumers within the licensee's area, excluding open-access consumption from other sources and captive self-consumption.
- v. Insert Regulation 4.1(i), introducing an Energy Storage Obligation requiring solar/wind energy through storage equal to 2.5% (two point five per cent) of total RPO in FY 2026-27, increasing to 4.0% (four per cent) in FY 2029-30, subject to periodic review based on Pumped Storage Projects, emerging storage technologies and BESS cost trends.
- vi. Insert Regulation 4.2(E), permitting RPO fulfilment through renewable-electricity consumption, directly or through an energy storage system, or payment of the Central Electricity Regulatory Commission's specified buyout price. Buyout proceeds are credited to the Central Energy Conservation Fund, with 75% (seventy five per cent) transferred to the State Energy Conservation Fund.

Comments, suggestions and objections are invited by 8 October 2026; a public hearing is scheduled for 13 October 2026 at 11:30 am.

BERC issues Draft BERC (Framework for Resource Adequacy) (1st Amendment) Regulations, 2026

BERC, by Public Notice No. 08 dated 3 August 2026, initiated Suo-Motu Proceeding No. 34/2026 to notify the draft BERC (Framework for Resource Adequacy) (First Amendment) Regulations, 2026 (Draft RA Amendment), amending Clause 9 of Chapter 4 of the principal Resource Adequacy Regulations.

The Draft RA Amendment, *inter alia*, provides that:

- i. Generation-resource assessment and planning is the second step after demand assessment and forecasting, involving assessment of existing and contracted resources using capacity credit and identification of incremental capacity requirements, including planning reserve margin.
- ii. The distribution licensee must prepare the Resource Adequacy Plan in consultation with State and Central Sector Generating Companies, other Distribution Licensees, Transmission Companies, Load Despatch Centres and the Central Electricity Authority, and may seek information from trading companies, OTC platforms and surplus-power States.
- iii. The distribution licensee may contract power through State/Central Generating Stations, IPPs, CPPs, Renewable Power Plants, including cogeneration plants, central agencies, intermediaries, traders, aggregators or power exchanges, or through banking arrangements with other distribution licensees, subject to Commission approval under Section 62 or 63 of the Electricity Act and competitive-bidding guidelines.

Comments were invited by 24 August 2026, and a public hearing was held on 27 August 2026.

BERC issues Draft Bihar Electricity Grid Code, 2026

BERC, by Public Notice No. 09 dated 7 August 2026, initiated Suo-Motu Proceeding No. 36/2026 to notify the Draft Bihar Electricity Grid Code, 2026 (Draft BEGC), which would supersede the Bihar Electricity Grid Code, 2010 and align the State grid code with IEGC 2023 and other central developments.

The Draft BEGC, *inter alia*, provides for:

- i. Constitution of a Grid Code Review Panel by the State Transmission Utility (STU) within two months of notification, with functional committees—the Operation Coordination Committee and Protection Coordination Committee—for implementation and periodic review of the Grid Code.
- ii. A Resource Planning Code covering integrated resource planning, demand forecasting, generation-resource adequacy and transmission-resource adequacy assessment, consistent with the BERC (Framework for Resource Adequacy) Regulations, 2025.
- iii. A Connection Code prescribing connectivity procedures, connectivity agreements and technical requirements for grid-connected entities, and a Protection Code prescribing protection protocols, settings and periodic audits.
- iv. A Commissioning and Commercial Operation chapter prescribing start-up-power drawal, infirm-power injection and trial-run requirements for thermal, hydro, gas, solar, wind, ESS and transmission elements, and declaration of Commercial Operation Date (COD).
- v. An Operating Code covering system security, frequency control, primary/secondary/tertiary reserves, control hierarchy, operational planning, outage planning, restoration and reactive-power management, and a Scheduling and Despatch Code covering control-area jurisdiction and detailed day-ahead scheduling timelines.
- vi. A Cyber Security Code requiring Users, the SLDC and the STU to maintain a cyber security framework under CEA Guidelines/Regulations, and a Monitoring and Compliance Code providing for self-audits and independent third-party compliance audits.

Comments, suggestions and objections were invited by 4 September 2026, and a public hearing was held on 10 September 2026.

Gujarat Electricity Regulatory Commission notifies 6th Amendment to the Gujarat Electricity Regulatory Commission (Terms and Conditions for Green Energy Open Access) Regulations, 2024

The Gujarat Electricity Regulatory Commission (GERC), by Notification No. 07 of 2026 dated 19 August 2026, notified the GERC (Terms and Conditions for Green Energy Open Access) (Sixth Amendment) Regulations, 2026 (GEOA Sixth Amendment), revising Banking Charge computation for Green Energy Open Access consumers.





The GEOA Sixth Amendment, *inter alia*:

- i. Fixes the Banking Charge at INR 1.00 per unit from 1 September 2026 to 31 March 2027; thereafter, Banking Charges are determined under Regulation 17.6.
- ii. Substitutes Regulation 17.6(viii) to provide that Banking Charges for each financial year from 1 April 2027 are determined using the immediately preceding calendar year's data/information furnished by Distribution Licensees through a sworn affidavit, subject to SLDC verification or other means GERC considers appropriate.
- iii. Enables GERC to set a common Banking Charge for all State Government-owned Distribution Licensees (DGVCL, PGVCL, MGVCL and UGVCL) and/or small Distribution Licensees procuring solely from them, and a common charge for private Licensees with common power procurement.
- iv. Provides for a floor of INR 0.50 per unit and a ceiling of INR 1.50 per unit on computed Banking Charges, subject to complete data submission by the Distribution Licensee. If data is not furnished, the Banking Charge is Nil, with deemed revenue of 1 paisa per unit per annum, pro rata, included in ARR.
- v. Prescribes a four-step methodology for computing Banking Charges.

Karnataka Electricity Regulatory Commission issues Draft Karnataka Electricity Regulatory Commission (Electricity Supply) Regulations, 2026

The Karnataka Electricity Regulatory Commission (KERC) issued the draft KERC (Electricity Supply) Regulations, 2026 (Draft Supply Regulations), consolidating and repealing six regulations: the KERC (Electricity Supply) Code, 2004; KERC (Recovery of Expenditure for Supply of Electricity) Regulations, 2004; KERC (Interest on Security Deposit) Regulations, 2005; KERC (Procedures for Filing Appeal Before the Appellate Authority) Regulations, 2005; Conditions of Supply of Electricity of Distribution Licensees in the State of Karnataka, 2006; and KERC (Security Deposit) Regulations, 2007.

The Draft Supply Regulations, *inter alia*:

- i. Classify supply by voltage and load, from single-phase LT supply up to 5 kW to EHT supply at 220 kV above 20,000 kVA contracted demand, and prescribe release-of-supply timelines from 3 working days in metro areas where no augmentation is required to 24 months where a new substation is required.
- ii. Prescribe space requirements for Distribution Transformers and related infrastructure in commercial/residential buildings and layouts based on 35 kW sanctioned load or 800 square metres of built-up area, and require EV charging infrastructure in buildings with 250 kW load or more or built-up area exceeding 5,000 square metres in specified urban areas.
- iii. Prescribe computation of Initial, Additional and Meter Security Deposits, billing procedures including defective/non-recording meters, disputed bills and delayed-payment charges, and power-factor requirements for LT and HT/EHT installations.
- iv. Prescribe assessment of unauthorised use of electricity and tariff-category misuse under Section 126, theft-of-electricity procedures under Section 135 of the Electricity Act and appeals before the Appellate Authority under Section 127.

KERC notifies KERC (Grid Interactive Distributed Solar Photovoltaic (DSPV) Plants) Regulations, 2026

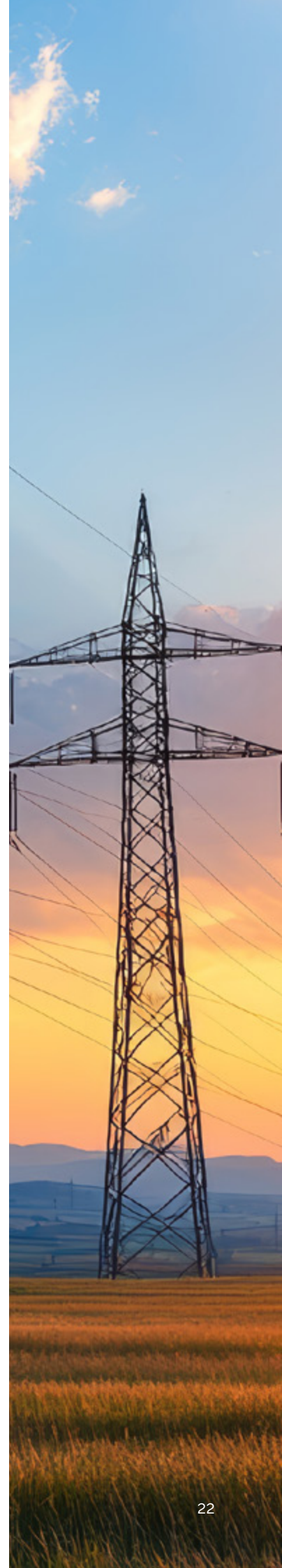
KERC, by Notification No. KERC/F-34/V-38/2026-27/2395 dated 19 August 2026, notified the KERC (Grid Interactive Distributed Solar Photovoltaic (DSPV) Plants) Regulations, 2026 (DSPV Regulations), repealing the KERC (Implementation of Solar Rooftop Photovoltaic Power Plants) Regulations, 2016.

The DSPV Regulations, *inter alia*:

- i. Provide six metering mechanisms—Net Metering, Net Billing, Gross Metering, Group Net Metering (GNM), Virtual Net Metering (VNM) and Behind the Meter (BTM)—each with prescribed consumer categories and capacity limits.
- ii. Permit Net Metering for all consumer categories at capacities from 1 kW to the lower of sanctioned load/contracted demand or 1,000 kW, while restricting VNM to domestic consumers, residential apartments, group housing societies, charitable institutions and government/local-authority buildings, with a minimum capacity of 5 kW.
- iii. Provide that Net Metering for all consumer categories and the capacity limits remain in force until cumulative installed DSPV capacity under Net Metering, together with Solar PV capacity under VNM and GNM, reaches 3 GW in the State.
- iv. Prescribe generic tariff determination for DSPV/Solar PV projects based on a Capacity Utilisation Factor of 19% (nineteen per cent), a single-part levelised tariff, a debt-equity ratio of 70:30, and normative depreciation, Return on Equity, interest on working capital and O&M parameters.
- v. Prescribe online application timelines for Net Metering, Net Billing and Gross Metering, including site verification and approval within 10 working days, PPA execution within 5 working days thereafter, and commissioning within 5 working days of the work-completion report; a delay renders the concerned officer liable to a penalty of INR 1,000 per day.
- vi. Provide that electricity purchased or consumed by Distribution Licensees under Net Metering, Net Billing, Gross Metering, VNM and GNM arrangements qualifies towards Renewable Purchase Obligation/Renewable Consumption Obligation compliance.

Maharashtra Electricity Regulatory Commission notifies Draft Maharashtra Electricity Regulatory Commission (Intra State Transmission Connectivity and General Network Access) Regulations, 2026

The Maharashtra Electricity Regulatory Commission (MERC), by draft notification dated 22 September 2026, issued the draft MERC (Intra-State Transmission Connectivity and General Network Access) Regulations, 2026, replacing the former Transmission Open Access framework with a consolidated Connectivity and General Network Access (GNA) regime for the Intra-State Transmission System (InSTS), broadly modelled on the Central Electricity Regulatory Commission (Connectivity and General Network Access to the Inter-State Transmission System) Regulations, 2022.





The Draft Regulations, *inter alia*:

- i. Mandate that Renewable Energy Generating Stations (REGS) and Standalone Energy Storage Systems (ESS) seeking Connectivity install minimum Energy Storage System capacity of 50% of connectivity capacity with 2-hour discharge duration, or 25% with 4-hour duration, with minimum usable ESS capacity of 1 MWh/MW up to 2030 and 2 MWh/MW thereafter.
- ii. Introduce differentiated “Solar Hour Access” and “Non-Solar Hour Access” for wind and solar generators sharing transmission capacity at the same substation, improving bay use across time-of-day windows.
- iii. Prescribe a Connectivity Bank Guarantee mechanism (Conn-BG1, BG2 and BG3) linked to terminal-bay allocation, Associated Transmission System requirements and voltage level, with timelines for in-principle and final Connectivity grants.
- iv. Establish deemed GNA for existing Transmission System Users based on approved Base Transmission Capacity Rights under the MYT Regulations, with a formula-driven annual GNA calculation based on Coincident and Non-Coincident Peak Demand.
- v. Revise the priority for adjusting energy credits under open access by expressly treating Renewable Energy Generators and Captive Generating Plants as separate, non-interchangeable categories in descending order of priority.
- vi. Introduce a curtailment-priority framework—Non-RE T-GNA, RE T-GNA, Non-RE GNA, RE GNA and Distribution Licensee, in that order—for technical constraints affecting grid security.

MERC notifies Draft MERC (Distribution Open Access) Regulations, 2026

MERC, by draft notification dated 22 September 2026, issued the draft MERC (Distribution Open Access) Regulations, 2026, replacing the MERC (Distribution Open Access) Regulations, 2016 and introducing a revised framework for distribution-system Connectivity and Open Access in the State.

The Draft Regulations, *inter alia*:

- i. Introduce capacity-linked, slot-based Banking for renewable energy, ranging from 4 to 24 settlement slots per day depending on contracted RE capacity, with Fixed and Variable Banking and Standby Charges replacing the former uniform banking mechanism.
- ii. Mandate a phased transition for consumers with contracted RE capacity of 5 MW and above to 15-minute scheduling within three years; thereafter, unused surplus banked energy lapses, with corresponding entitlement to Renewable Energy Certificates.
- iii. Revise energy-credit adjustment priority by making “Captive Renewable Energy Generators” the foremost category, ahead of non-captive Renewable Energy Generators, non-RE Captive Generating Plants and other sources in descending order.
- iv. Prescribe a Notional Contract Demand mechanism for non-RE Open Access consumers that do not reduce Contract Demand when availing Open Access, imposing incremental demand charges at 1.25 times the normal rate on demand above the notional threshold.
- v. Exempt Energy Storage Systems drawing power solely for intermediate storage from wheeling, demand, cross-subsidy and additional surcharges, provided the stored energy is consumed within the State.

- vi. Exempt additional surcharge for green hydrogen/ammonia production, offshore wind projects commissioned up to December 2032 and Green Energy Open Access consumers paying fixed charges, while retaining cross-subsidy-surcharge exemption for non-fossil-fuel Waste-to-Energy plants.

MERC notifies Draft MERC (State Grid Code) (Second Amendment) Regulations, 2026

MERC, by draft notification dated 22 September 2026, issued the draft MERC (State Grid Code) (Second Amendment) Regulations, 2026, amending the MERC (State Grid Code) Regulations, 2020 to bring BESS and REGS within the State Grid Code's scope. Vide a public notice, MERC invited comments, suggestions and/or objections on the draft regulations by 5:00 pm on 12 October 2026.

The Draft Amendment, *inter alia*:

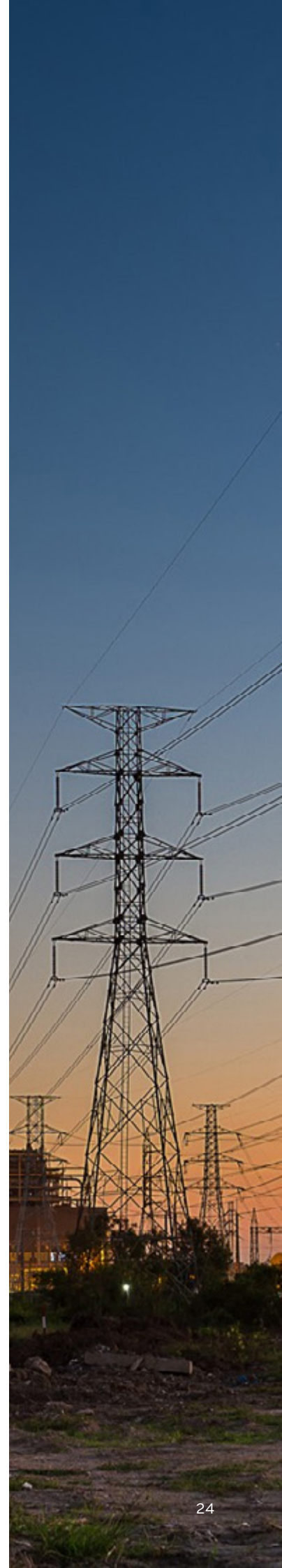
- i. Introduces defined terms for ESS and REGS in the Principal Regulations and expressly extends the Grid Code to ESS and REGS.
- ii. Mandates that BESS connected to the InSTS operate strictly under SLDC directions on charging, discharging, system security, voltage and frequency control, and grid restoration.
- iii. Requires BESS owners/operators to be recognised as "State Entities" for Grid Code purposes, furnish real-time operational data on charging/discharging status, available energy and State of Charge, and comply with scheduling, despatch and Deviation Settlement Mechanism requirements.
- iv. Brings BESS charging and discharging schedules within the applicable Deviation Settlement Mechanism Regulations, with the schedules separately identified and accounted for.
- v. Extends the Metering Code in Part H of the Grid Code to ESSs and REGSs connected to the InSTS.

MERC notifies Draft MERC (Battery Energy Storage System) Regulations, 2026

MERC, by draft notification dated 22 September 2026, issued the draft MERC (Battery Energy Storage System) Regulations, 2026, establishing a dedicated framework for BESS classification, ownership, procurement, operation and market participation across Maharashtra's generation, transmission and distribution segments. By a public notice, MERC invited comments, suggestions and/or objections on the draft regulations by 5:00 pm on 12 October 2026.

The Draft Regulations, *inter alia*:

- i. Classify BESS into five categories—Generation-Linked, Transmission-Linked, Distribution-Linked, Standalone and Consumer-Side, including Lead ESS aggregation—with defined business models and use cases such as congestion management, peak-demand management, ancillary services and energy arbitrage.
- ii. Mandate procurement of BESS capacity or services by regulated entities through transparent, competitive bidding under Section 63 of the Electricity Act, structured where appropriate as Battery-as-a-Service, with Section 62





procurement permitted only in exceptional, Commission-approved circumstances.

- iii. Prescribe minimum connectivity thresholds for Standalone BESS of 5 MW to the Intra-State Transmission System and 1 MW to the distribution system, with a minimum 2-hour duration requirement reviewable by the Commission, subject to grandfathering for projects with prior financial closure.
- iv. Exempt Standalone BESS drawing power exclusively for intermediate storage from transmission, distribution-demand, wheeling, cross-subsidy and additional surcharges, provided stored energy is consumed within Maharashtra.
- v. Require all grid-connected BESS to comply with CEA, Central Electricity Regulatory Commission (CERC) and Commission technical, metering, communication, telemetry, cyber security and safety standards, and require periodic operational-compliance audits and environmentally compliant end-of-life disposal and recycling.

Uttar Pradesh Electricity Regulatory Commission notifies Draft Uttar Pradesh Electricity Grid Code Regulations, 2026

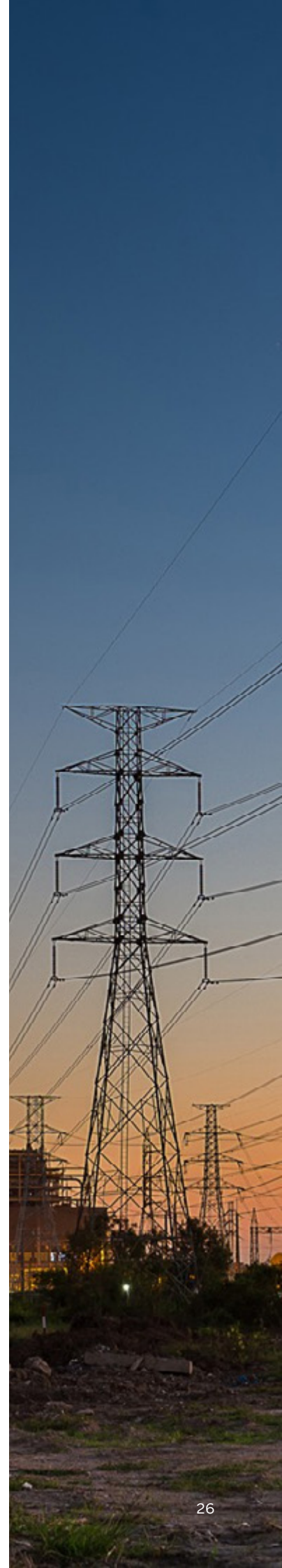
The Uttar Pradesh Electricity Regulatory Commission (UPERC), by draft notification dated 23 July 2026, issued the Draft Uttar Pradesh Electricity Grid Code (UPEGC) Regulations, 2026, repealing and replacing the U.P. Electricity Grid Code, 2007 to align the State grid-operation framework with IEGC 2023.

The Draft Grid Code, *inter alia*:

- i. Introduces a State-level framework for Primary, Secondary and Tertiary Reserve Ancillary Services, Black Start Reserves and Voltage Control Reserves, together with Security Constrained Unit Commitment (SCUC) and Security Constrained Economic Despatch (SCED) mechanisms. UPERC will separately notify SCED's commencement date.
- ii. Introduces Integrated Resource Planning, Communication and Cyber Security Codes requiring SLDC, STU and users to develop operating procedures, communication infrastructure and cyber security frameworks consistent with national protocols under the IEGC, subject to State-specific modifications.
- iii. Retains State-specific deviations from the IEGC, including a minimum turndown level of 55% of MCR for thermal generating stations, compared with the IEGC norm, and existing trial-run/COD provisions for solar, wind and infirm/start-up power under applicable UPERC Tariff Regulations.
- iv. Prescribes documentation and testing before declaration of Commercial Operation Date across thermal, hydro, solar, wind, ESS and HVDC/FACTS technologies, with a deemed-COD mechanism for renewable and hydro stations unable to demonstrate full capacity because of resource unavailability.
- v. Reconstitutes the State Power Committee (SPC) with expanded, technology-inclusive membership, including ESS, standalone RE developers below the earlier capacity threshold and transmission licensees other than the STU, to coordinate State-grid planning, protection, operational and communication matters.
- vi. Establishes a Monitoring and Compliance Code requiring annual self-audits and permitting independent third-party compliance audits of all users, the STU, the SLDC, the SPC and QCAs, with non-compliance reportable to the Commission for appropriate action.

UPERC notifies UPERC (Verification of Generating Plants and Captive Consumers) (Repeal) Regulations, 2026

UPERC, by notification dated 5 August 2026, notified the UPERC (Verification of Generating Plants and Captive Consumers) (Repeal) Regulations, 2026, repealing the UPERC (Verification of Generating Plants and Captive Consumers) Regulations, 2022, retrospectively from 1 April 2026. The repeal follows the amendments to Rule 3 of the Electricity Rules, 2005 introduced by the Electricity (Amendment) Rules, 2026, which provide a revised framework for the determination and verification of captive generating plants and captive users, including provisions relating to captive consumption through Energy Storage Systems, ownership through group entities, SPVs constituted as associations of persons, and verification by a State-designated nodal agency.





Key Judgements – The Supreme Court of India

Dakschinanchal Vidyut Vitran Nigam Ltd. v Vidut Lokpal, Uttar Pradesh, 2026 SCC OnLine SC 1820

The Supreme Court dismissed the appeal filed by Dakshinanchal Vidyut Vitran Nigam Limited (DVVNL) and reiterated the principles governing the limitation prescribed under Section 56(2) of the Electricity Act. Relying on its earlier decision in [Assistant Engineer \(D1\), Ajmer Vidyut Vitran Nigam Limited v Rahamatullah Khan, \(2020\) 4 SCC 650](#), the Supreme Court reiterated that:

- i. The two-year period under Section 56(2) commences from the date on which the electricity charges become “first due”, i.e., when the bill quantifying the charges is issued. Where an amount has not been continuously shown as recoverable as arrears in the bills raised for the intervening period, the licensee cannot exercise its statutory right to disconnect supply on account of such dues after expiry of the two-year period.
- ii. Section 56(2) does not extinguish the underlying liability or bar the licensee from raising a supplementary demand after expiry of the two-year period. It restricts the licensee’s statutory right to disconnect supply for non-payment of such dues after the prescribed period, and does not preclude other lawful modes of recovery.

Karnataka Power Transmission Corporation Limited v Rekha, 2026 SCC OnLine SC 1545

The Supreme Court considered whether (i) a writ petition under Article 226 of the Constitution of India (Constitution) is maintainable where disputed questions of fact exist and an effective alternative remedy is available; and (ii) the yardstick for compensation in electrocution cases.

The Supreme Court, *inter alia*, held that:

- i. Where disputed questions of fact exist, a petition under Article 226 of the Constitution is not the proper remedy. A High Court may decline writ jurisdiction where the controversy requires adjudication of disputed facts through evidence.
- ii. In electrocution cases, electricity boards are subject to strict, but not absolute, liability. Electricity transmission is inherently dangerous, and boards must compensate an injured or deceased person irrespective of fault, unless a recognised exception to strict liability applies.
- iii. Absolute liability applies only to enterprises engaged in hazardous or inherently dangerous activities and arises when harm results from an accident in operating that activity.
- iv. The multiplier method under the Motor Vehicles Act, 1988 does not apply to electrocution compensation. The Electricity Act prescribes no calculation method; compensation must be just, reasonable and fair, based on the person’s income and related claims.

Himadri Steel (P) Limited v Jharkhand Urja Vikas Nigam Limited, 2026 SCC OnLine SC 1563

The Supreme Court considered whether (i) a writ petition is maintainable against a provisional assessment order under Sect on 135 of the Electricity Act despite the alternative statutory remedy; and (ii) the requirements for initiating theft-of-electricity proceedings under Section 135.

The Supreme Court, *inter alia*, held that:

- i. A writ petition challenging a provisional assessment order under Section 135 is maintainable because the statutory appeal under Section 127 lies only against a final assessment order.
- ii. Sections 126 and 135 operate in distinct fields: Section 126 provides a civil remedy for unauthorised use of electricity, while Section 135 is a criminal provision for theft and requires the ingredients of the offence to be established.
- iii. To invoke Section 135, the inspection report must find theft and disclose the evidence collected. A provisional assessment order is sustainable only if the report unerringly establishes theft.
- iv. Strong suspicion cannot replace strict proof. Minor metering discrepancies or suspicion of theft do not satisfy Section 135 without evidence of dishonest abstraction of electricity.
- v. Failure to follow the Jharkhand (Electricity Supply Code) Regulations, 2015, including seizure of material evidence when theft is detected, vitiates action under Section 135.

Indian Energy Exchange Limited v Central Electricity Regulatory Commission, Civil Appeal No 7054 of 2026, Order dated 03 August 2026

The Supreme Court dismissed the appeal filed by Indian Energy Exchange Limited (IEX) challenging the [judgement dated 13 February 2026 in Appeal No. 298 of 2025, IEX v CERC](#). APTEL had, *inter alia*, held that IEX was not yet a “person aggrieved”, as the impugned directions dated 23 July 2025 issued by the CERC had not altered its legal rights or imposed any civil consequences upon it.

The proceedings before APTEL arose from the proceedings/directions dated 23 July 2025 issued by the CERC concerning the implementation of market coupling in the Day-Ahead Market (DAM) of power exchanges. The CERC proceedings contemplated implementation of DAM coupling in a round-robin mode by January 2026, with the power exchanges acting as the Market Coupling Operator on a rotational basis.

By its order, the Supreme Court observed that it was not the appropriate stage to express any opinion on the regulations, which were yet to be formulated. The Supreme Court accordingly left all questions open for consideration at the appropriate stage and disposed of the appeal.



Key Judgements – High Courts

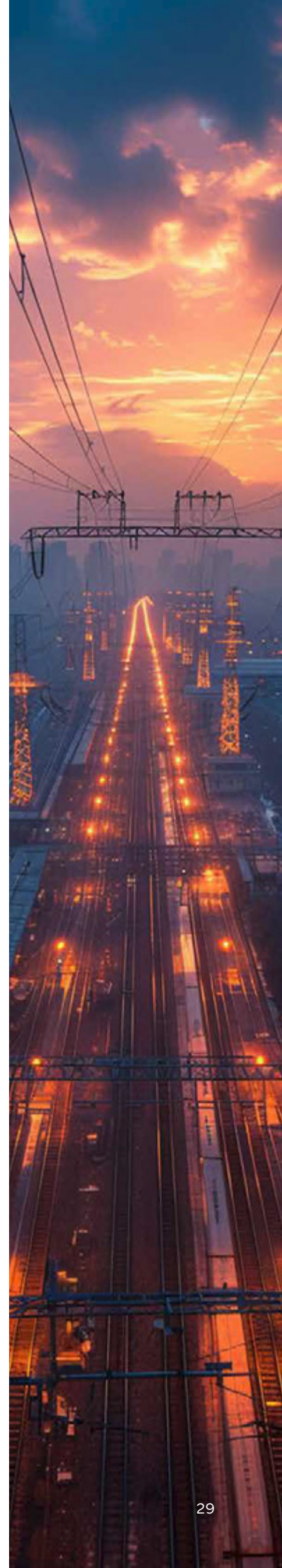
Fanindra Das v The General Manager and Anr, Writ – C No 51747 of 2012, Judgement dated 28 September 2026, High Court of Judicature at Allahabad

The High Court of Judicature at Allahabad (Allahabad High Court) held that access to electricity constitutes a basic human need and forms part of the right to life under Article 21 of the Constitution. Relying on *Chameli Singh v State of Uttar Pradesh*, (1996) 2 SCC 549 and *Dilip (Dead) v Satish*, 2022 SCC OnLine SC 810, the Allahabad High Court observed that the right to shelter includes access to electricity and other civic amenities, and that electricity cannot ordinarily be denied to a person residing in the premises.

M/s Ambey Industries v Punjab State Power Corporation Limited & Ors, CWP-4732-2026, Judgement dated 21 September 2026, High Court of Punjab and Haryana at Chandigarh

The High Court held that:

- i. Following [State of Gujarat & Ors v Utility Users Welfare Association & Ors, \(2018\) 6 SCC 21](#), all adjudicatory functions of a State Electricity Regulatory Commission must be performed by a Bench including at least one member who holds or has held judicial office, or has professional legal qualifications and experience sufficient for appointment as a High Court or District Judge.
- ii. This requirement extends beyond disputes between licensees and generating companies under Section 86(1)(f) to all Commission adjudicatory functions. As a composite advisory, regulatory and adjudicatory body, the Commission cannot lawfully act as a tribunal without a member from the legal field.
- iii. An order under Regulation 64 of the Punjab State Electricity Regulatory Commission (Conduct of Business) Regulations, 2005 (COB Regulations), following notice, replies/objections and a Regulation 18 hearing, is adjudicatory because it judicially resolves a dispute. It is not a regulatory function under Section 86(1) or an advisory function under Section 86(2) of the Electricity Act.
- iv. The COB Regulations are procedural regulations under Section 181 of the Electricity Act and confer no substantive regulatory power. An order under them is not “regulatory” merely because it was issued under those Regulations, unless based on a power specifically listed in Section 86(1).
- v. Because the impugned order dated 22 December 2025, dismissing the petitioner’s challenge to tapping its dedicated 66 kV transmission line for another consumer, was passed by a Bench comprising the Chairperson and a technical member without a legal member, it was coram non iudice and without jurisdiction.
- vi. The impugned order was set aside and the matter remanded for fresh adjudication by a Bench duly constituted with a member from the legal field.





Daulat Ram Engineering Services Ltd. & Ors v The State of Madhya Pradesh & Ors; Adeel Siddiqui & Ors v The State of Madhya Pradesh & Ors, WP No. 49694 of 2025 & WP No. 32213 of 2025, Judgement dated 31 August 2026, High Court of Madhya Pradesh (Jabalpur Bench)

The High Court held that:

- i. Once the Appropriate Government confers Telegraph Authority powers under Section 164 of the Electricity Act, read with Sections 10 and 16 of the Indian Telegraph Act, 1885, on a licensee, prior landowner consent under Rule 3(a) of the Works of Licensees Rules, 2006 is excluded by Rule 3(4), consistent with [Power Grid Corporation of India Limited v Century Textiles & Industries Limited, \(2017\) 5 SCC 143](#).
- ii. A transmission line initially dedicated to one industrial consumer retains its statutory and public character, following [Century Rayon Limited v IVP Limited, \(2021\) 20 SCC 758](#), particularly where the licensee retains ownership and the line remains available for tapping by other consumers.

Jindal Steel & Power Limited & Anr v Chhattisgarh State Electricity Regulatory Commission, WPC No 3256 of 22023, Judgement dated 18 August 2026, High Court of Chhattisgarh at Bilaspur

The High Court of Chhattisgarh, *inter alia*, held that a demand determining the liability of a party must be preceded by a due opportunity of hearing, in accordance with the principles of natural justice. Accordingly, the High Court

- i. Held that the matter required fresh consideration by the Chhattisgarh State Electricity Regulatory Commission (CSERC) after affording Jindal Steel & Power Limited (JSPL) a due opportunity of hearing;
- ii. Quashed the impugned demand notice and remanded the matter to CSERC for fresh consideration in accordance with law.

JSP Green Wind 1 Private Limited & Ors v State of Karnataka & Ors, Writ Petition No.27996 of 2024 and connected matters, Judgement dated 28 August 2026, High Court of Karnataka

The Karnataka High Court considered writ petitions by renewable-energy generating companies and industry associations challenging Clauses 1.2(d), 6.1(b) and (c), 6.2 and 7.2(b) of the Karnataka Renewable Energy Policy 2022-2027 (Karnataka RE Policy), concerning retrospective application, a Government Order (GO) requirement for competitively bid projects, land-use restrictions and application/processing fees and Performance Bank Guarantee.

The Karnataka High Court, *inter alia*, held that:

- i. The challenge to Clause 1.2(d), which applied the Karnataka RE Policy retrospectively to pre-sanctioned and under-development projects, became infructuous after the 27 February 2023 amendment removed retrospective effect; the Policy therefore operates prospectively.
- ii. The requirement under Clause 6.1 to obtain a GO, including for Inter-State Transmission System (ISTS) projects allotted through Central Government competitive bidding, was sustainable. The State retains jurisdiction over distribution networks and in-State consumption despite central approval of the generation project, following [Ramayana Ispat \(P\) Limited v State of Rajasthan, \(2025\) 8 SCC 747](#).

- iii. The land-use restriction in Clause 6.2 is arbitrary where the developer acquired or leased the land directly, because it restricts lawful possession of land already obtained. It remains applicable where the Government acquired and handed over the land.
- iv. Clause 7.2, permitting application fees, processing fees and Performance Bank Guarantee, was read down. Under the settled principle of quid pro quo, a fee is valid only where the payer receives a corresponding benefit from the levying authority; without it, the levy is an unauthorised tax lacking specific statutory authority.
- v. Applications pending under the Karnataka RE Policy must be processed within 8 (eight) weeks of the judgement, in light of the Court's observations.

Ugar Sugar Works Limited v Hescom & Ors. and Connected Matters, Writ Petition No. 104538 of 2022 and Connected Matters, Judgement dated 05 August 2026, High Court of Karnataka

The High Court dismissed the writ petitions, *inter alia*, holding that:

- i. Cross Subsidy Surcharge compensates the distribution licensee for lost cross-subsidy whether or not its lines are used, and is payable when a consumer procures electricity from a source other than the area distribution licensee.
- ii. Sections 42(2) and 42(3) of the Electricity Act, 2003 empower State Commissions to regulate in-State open access, including where electricity originates outside the State but is delivered, used and consumed within it.
- iii. Relying on [Sundew Properties Limited v Telangana State Electricity Regulatory Commission, \(2024\) 6 SCC 443](#), the High Court held that Section 14 concerns grant of licences and Section 16 their conditions. Both contemplate an Appropriate Commission-prescribed regulatory framework; accordingly, the Electricity (Amendment) Rules, 2023 were not ultra vires Section 14 of the Act or inconsistent with it.





Key Judgements – The Appellate Tribunal for Electricity (APTEL)

Gujarat Urja Vikas Nigam Limited & Ors v Gujarat Electricity Regulatory Commission & Ors, IA No. 274 of 2026 in DFR No. 70 of 2026, Judgement dated 28 September 2026

APTEL held that:

- i. A non-party challenging a Commission order must first obtain leave, available only if the applicant is actually “aggrieved”—wronged, harmed or affected, not merely apprehensive of remote or indirect prejudice. The principles in *H. Anjanappa v A. Prabhakar*, 2025 SCC OnLine SC 183, apply equally to appeals under Section 111.
- ii. The appellants were not persons against whom the impugned order issued any direction. The order directed only GETCO to refund STOA charges to Torrent Power after verification, and no relief was sought against the appellants. Their unsubstantiated claim of bearing GETCO’s transmission burden on a “residual basis” did not establish that they were aggrieved.
- iii. After participating in the underlying proceedings, including public hearings, without seeking impleadment, and failing to challenge a subsequent tariff order giving effect to the refund direction, the appellants were not vigilant and could not later seek leave to appeal.

The application for leave and connected appeal were dismissed as not maintainable.

Serentica Renewables India 4 Private Limited v Central Electricity Regulatory Commission, IA No 626 of 2026 in Appeal No 142 of 2026, Order dated 23 September 2026

APTEL held that, although Section 111 jurisdiction is confined to orders of the Appropriate Commission, a State Government must be heard where an appeal against a tariff order requires examination of the Government’s actions or position, particularly when the Commission relied on its submissions and adverse averments were made against it.

Serum Institute of India Private Limited v Maharashtra Electricity Regulatory Commission, Appeal No 294 of 2019, Judgement dated 22 September 2026

APTEL held that:

- i. Where binding Regulations govern a transaction, the parties’ rights and obligations must first be determined within that framework before recourse to Section 70 of the Indian Contract Act, 1872; and
- ii. Where the Regulations specifically address excess energy, that treatment cannot be extended beyond their express terms. Accordingly, unutilised banked energy covered by Regulation 20.6 was deemed purchased by the distribution licensee at the applicable pooled cost of power purchase.



JSW Hydro Energy Limited v Central Electricity Regulatory Commission & Ors, Appeal No 168 of 2022, Judgement dated 18 September 2026

APTEL held that:

- i. Where the applicable Regulations permit notional Interest During Construction (IDC), omission at initial tariff determination does not itself extinguish entitlement, particularly if it was not a considered rejection and IDC was subject to true-up;
- ii. An inadvertent omission may be corrected at true-up as implementation of the Regulations, not a change in tariff methodology;
- iii. The claim remains subject to audited accounts and regulatory parameters; and
- iv. Carrying cost is unavailable for claimant-attributable delay and accrues here only from filing the true-up petition until adjustment.

Tata Power Company Limited v Gujarat Urja Vikas Nigam Limited & Ors, Review Petition No 6 of 2026, Judgement dated 17 September 2026

APTEL clarified that:

- i. Its [28 August 2024 judgement in Appeal No. 309 of 2019, Madhya Pradesh Power Management Company Limited v Damodar Valley Corporation & Anr](#) (DVC Judgement), permits arbitration of disputes connected with clauses (a) to (d) of Section 79(1) only where they neither concern CERC's regulatory functions nor affect tariff directly or indirectly; and
- ii. Disputes within CERC's regulatory functions or affecting tariff are non-arbitrable despite an arbitration agreement and satisfaction of Section 8(1) of the Arbitration and Conciliation Act, 1996.

APTEL held that its [25 February 2026 judgement in Appeal No. 348 of 2025, Gujarat Urja Vikas Nigam Limited v Tata Power Company Limited & Ors](#), clarified rather than contradicted the DVC Judgement, while setting aside only the description of paragraph 36 of the DVC Judgement as a "stray sentence".

Ardee Infrastructure Private Limited & Anr v Mahesh Mathur & Ors, Appeal No 235 of 2019, Judgement dated 17 September 2026

APTEL held that a developer under a Single Point Supply arrangement may recover from residents reasonable actual costs for (i) transformation/LT losses and (ii) installation and maintenance of internal electrical infrastructure, in addition to domestic tariff, but not arbitrary or unilateral charges.

APTEL further held that Regulation 5.5 of the Haryana Electricity Regulatory Commission (Single Point Supply to Employers' Colonies, Group Housing Societies and Residential or Commercial-cum-Residential Complexes of Developers) Regulations, 2013 gives the Haryana Electricity Regulatory Commission jurisdiction over developer-overcharging complaints despite a contractual arbitration clause or inconsistent provisions under the Haryana Electricity Regulatory Commission (Guidelines for Establishment of Forum for Redressal of Grievances of the Consumers) and (Electricity Ombudsman) Regulation, 2004.

Piccadily Agro Industries Limited & Anr v Haryana Electricity Regulatory Commission & Ors, Appeal No 392 of 2025, Judgement dated 17 September 2026

APTEL held that:

- i. Where one company establishes a generating plant and another holds equity in it, both may qualify as captive users if ownership and consumption requirements are met; and
- ii. Where the generating company is not an SPV formed solely to own the generating station, a captive user's equity participation cannot be notionally increased by reference to a particular generating unit.

Ram Narayan Tiwari (Deceased) & Anr v Uttar Pradesh Power Corporation Limited & Ors, Appeal No 299 of 2021, Judgement dated 10 September 2026

APTEL held that:

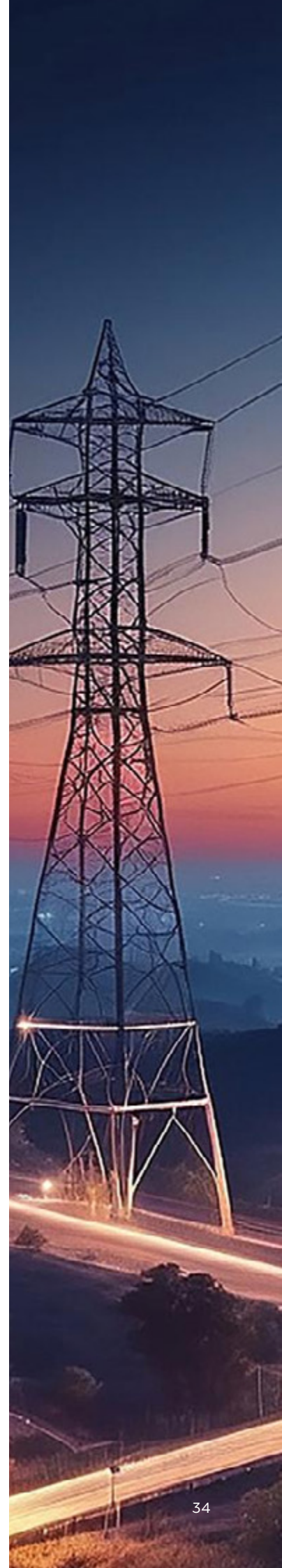
- i. A distribution licensee must lodge an FIR within 24 hours of disconnection after discovering theft and file a complaint before the Special Court within 30 days of disconnection;
- ii. Failure to meet either deadline breaches prescribed performance standards under Section 57 of the Act and gives the affected consumer a right to seek compensation from the Appropriate Commission; and
- iii. Compensation under Section 57 is payable only to an affected consumer without electricity-dues arrears beyond the period allowed by applicable regulations.

Tamil Nadu Generation and Distribution Corporation Limited v Central Electricity Regulatory Commission & Ors, Appeal No 230 of 2016, Judgement dated 9 September 2026

APTEL held that:

- i. Price variation is permissible in competitively awarded contracts
- ii. Permissibility depends on the bidding documents and regulatory framework
- iii. A formula-based price-variation mechanism is valid and enforceable, while a firm fixed price excludes escalation
- iv. Applicability is determined by the bid-evaluation date specified in the bidding documents.

APTEL further held that quantities in a Detailed Project Report (DPR) are estimates, not sacrosanct execution benchmarks. In project-specific tariff determination under Section 62 of the Act, increased quantities cannot be rejected solely because they exceed DPR estimates, but remain subject to the Commission's prudence check.





Jind Bio-Energy LLP & Anr v Haryana Power Purchase Centre & Ors, Appeal No 348 of 2019, Judgement dated 9 September 2026

APTEL held that:

- i. Where a State Commission approves a draft PPA, the subsequently executed PPA must conform in all respects, and any deviation, even minor, is otiose and inapplicable; and
- ii. The Commission may direct modification of the executed PPA where its terms do not conform to the approved draft.

ACME Kudligi Solar Energy Private Limited v Karnataka Electricity Regulatory Commission & Ors, Appeal No 25 of 2021, Judgement dated 9 September 2026

APTEL held that where a developer completes a project and is ready to commission by the scheduled commissioning date but cannot do so because associated evacuation infrastructure is unavailable due to the transmission licensee, the delay may constitute force majeure under the PPA and entitle the developer to an extension. Even if that default is not expressly listed, it may be read into the PPA to give business efficacy to its provisions. Where the developer is not responsible for the delay, it is not liable for liquidated damages, tariff reduction or contractual penalty.

East-North Interconnection Company Limited v Central Electricity Regulatory Commission & Ors, Appeal No 447 of 2022, Judgement dated 8 September 2026

APTEL considered whether “relief” under a force majeure clause in a Transmission Service Agreement (TSA) includes monetary compensation for resulting costs and losses. It, *inter alia*, held that:

- i. Force majeure relief is performance-based, not restitutionary. Article 11.7 relieves performance of obligations affected by a force majeure event but does not expressly or impliedly reimburse related costs, expenses or losses. Where the parties intended economic relief, they identified the impact, quantified it and specified a threshold; Article 11 contains no comparable threshold, formula or mechanism.
- ii. The following features, read together, may indicate that force majeure does not give rise to monetary compensation or restitution:
 - a. The provision gives relief only from contractual obligations;
 - b. The agreement provides an extension of time but no method for assessing force majeure costs;
 - c. The agreement addresses cost increases from contingencies such as Change in Law but not force majeure;
 - d. The agreement permits termination if the Force Majeure event exceeds a specified duration, indicating an intention to limit risk without express cost compensation; and
 - e. During operations, the project receives deemed availability, indicating that relief is limited to performance.

Disagreeing with the legal principles in the [judgement dated 7 July 2025 in Appeal Nos. 59 and 60 of 2016, Aravali Transmission Service Company Limited v Rajasthan Electricity Regulatory Commission](#), APTEL referred to a Full Bench the question of whether “relief” under a force majeure clause in a PPA, TSA

or similar agreement includes monetary compensation, particularly where the agreement has the features above.

M/S Samalpatti Power Corporation Pvt Ltd v Tamil Nadu Generation & Distribution Corporation Limited & Anr in Appeal Nos.307 & 344 of 2017, Judgement dated 31 August 2026

APTEL held that the Techno-Economic Clearance and Firm Financial Package issued by the Central Electricity Authority before the Electricity Act survive under Section 185(2)(a) of the Act. Although not binding, they remain relevant benchmarks for prudence review of capital cost. The normative 70:30 debt-equity ratio applies to finally admitted capital cost; TANGEDCO's "debt-first" approach was rejected as "judicial legislation". Interest during construction attributable to disallowed expenditure cannot be capitalised. Applying these principles to Samalpatti's 105.66 MW diesel station, APTEL:

- i. Upheld disallowance of undocumented promoter expenses;
- ii. Allowed mobilisation costs up to the INR 15 Lakh ceiling in the Techno-Economic Clearance;
- iii. Allowed the financial advisory fee on sanctioned debt;
- iv. Allowed additional legal and stamping fees; and
- v. Remanded treatment of equity-raising charges.

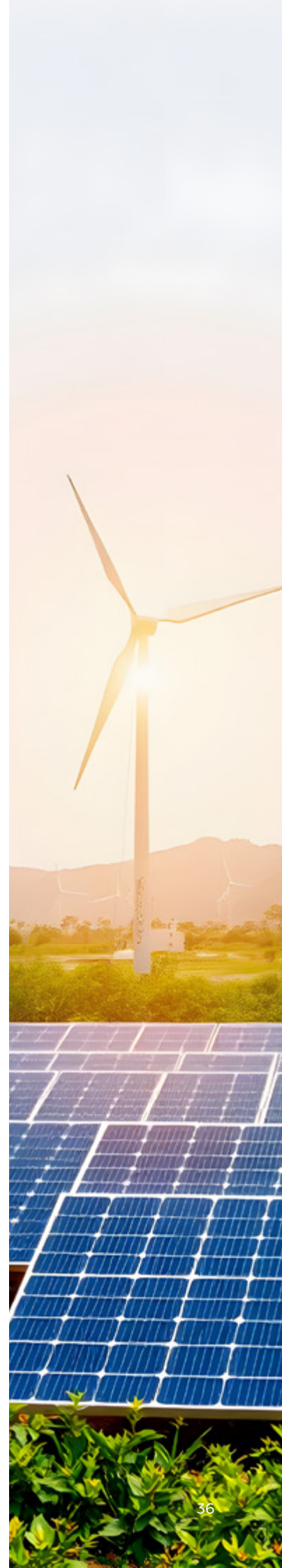
TNERC was directed to issue consequential orders with carrying cost within three months, and TANGEDCO's appeal was dismissed.

Nuvoco Vistas Corporation Limited v Chhattisgarh State Electricity Regulatory Commission & Anr. Appeal No.158 of 2016, Judgement dated 19 August 2026

APTEL held that CSERC's relaxation allowing captive consumers to reduce contract demand "to any extent... any time" removed only Clause 7.9's substantive restrictions in the Chhattisgarh Supply Code, 2005; it did not displace Clause 7.11's procedure, requiring a decision within 60 days and effectiveness from the first day of the following month. Open access and contract demand are legally distinct, so open access does not automatically reduce contract demand. APTEL therefore found that CSPDCL lawfully reduced the appellant's contract demand to zero from 1 January 2007 and lawfully billed the intervening period against the subsisting 9,500 kVA demand. The approximately INR 1.41 crore refund claim was rejected and the appeal dismissed.

Adani Power Limited v Maharashtra Electricity Regulatory Commission & Ors. in Appeal Nos. 316 & 317 of 2021, Judgement dated 19 August 2026

APTEL held that a remand limited to consequential orders gives the Commission "specific, mechanical and restrictive" jurisdiction; it cannot rehear arguments or revisit appellate findings. Its judgement dated 14 September 2020 fixed the basis for Adani Power's change-in-law compensation for domestic-coal shortfall: the lower of station heat rate under the MYT Regulations, 2011 and actual rate, together with actual coal calorific value and supply shortfall. MERC





exceeded its remit by rehearing the matter, substituting later heat-rate norms, capping calorific value and limiting compensation to normative generation. APTEL called MERC's conduct "contemptuous in nature" but declined to initiate contempt proceedings, set aside the impugned order and directed compliant consequential orders within six weeks.

Maharashtra State Electricity Distribution Company Limited v Maharashtra Electricity Regulatory Commission & JSW Energy Limited in Appeal No. 11 of 2026 and IA No. 17 of 2026, Judgement dated 19 August 2026

APTEL held that an appellant may withdraw an appeal at any time, but liberty to institute fresh proceedings requires a formal defect or other sufficient ground under Order XXIII Rule 1(3) of the Code of Civil Procedure, 1908. An appellant pursuing the statutory appeal waives review before the Commission. APTEL therefore denied MSEDCL liberty to seek review of MERC's order directing payment of approximately INR 568 crore to JSW, treating withdrawal after extensive interim-relief proceedings before APTEL and the Supreme Court as forum shopping. The Supreme Court's direction to pay INR 250 crore had created vested rights in JSW. APTEL also rejected MERC's request to set aside its own order, holding that an adjudicator cannot disown a decision on a bare oral submission. The appeal was dismissed as withdrawn without liberty.

Damodar Valley Power Consumers' Association & Ors. v West Bengal Electricity Regulatory Commission & Damodar Valley Corporation in Appeal No. 18 of 2026 and IA No. 1083 of 2025, Judgement dated 11 August 2026

APTEL held that a truing-up methodology it upheld must apply consistently to all challenged tariff years; consumers cannot accept it when favourable and contest it otherwise. Following its judgement dated 2 July 2026 in Appeal No. 15 of 2026, APTEL upheld WBERC's "empirical formula" for interest on DVC's differential Annual Fixed Charges for FY 2019-20. Uniform application had been directed because the formula favoured consumers in some years and DVC in others. The appeal was dismissed on this issue, with liberty to raise remaining issues in a fresh appeal.

M/s BSL Limited v Ajmer Vidyut Vitran Nigam Limited & Ors. in Appeal No. 142 of 2021, Judgement dated 11 August 2026

APTEL held that statutory regulations prevail over inconsistent contractual terms, following [PTC India Limited v CERC, \(2010\) 4 SCC 603](#). The RERC (Terms and Conditions for Open Access) Regulations, 2016 form a complete code for intra-State open access in Rajasthan. The 2009 and 2014 Tariff Regulations determined open-access wheeling charges only through the 2004 Open Access Regulations; after the repeal of those Regulations, they could no longer determine wheeling charges, although they were not themselves formally repealed. APTEL upheld AVVNL's shift from energy-based to capacity-based wheeling charges under Regulation 15 of the 2016 Regulations, noting that the Wheeling and Banking Agreement adopted RERC instruments "as amended from time to time". The appeal was dismissed.

Adani Power Limited (Raipur TPP) v Chhattisgarh State Electricity Regulatory Commission & Anr, Appeal Nos. 65 and 66 of 2026, Judgement dated 29 July 2026

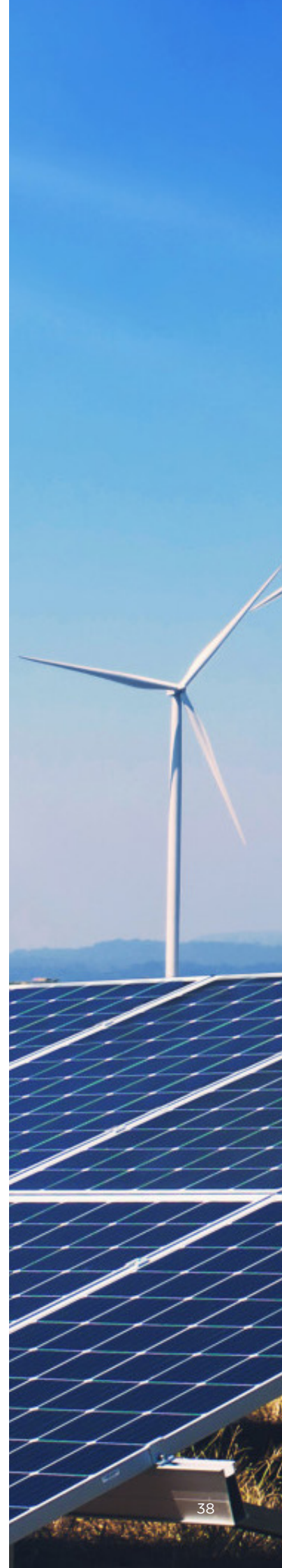
APTEL held that:

- i. The MoEF&CC Notifications dated 25 January 2016 and 31 December 2021, imposing statutory fly-ash-utilisation obligations, constitute a Change in Law event, a position undisputed by the parties and acknowledged in the impugned order.
- ii. The Change in Law doctrine is restitutionary and is not limited by “fixed” or “variable” charges. Even where a PPA provides for procurement solely at variable cost, the generator may recover additional statutory expenditure because Article 19.5 requires the PPA to be read with the Electricity Act and its Regulations.
- iii. Article 14.1’s exclusion of the “implication of changes in law”, based on the absence of fixed/capacity charges, assumed that variable charges would reflect actuals determined by the Appropriate Commission; it did not expressly exclude Change in Law relief for statutory ash-utilisation costs.

Himachal Pradesh Power Transmission Corporation Limited v Central Electricity Regulatory Commission & Ors, Appeal No. 300 of 2022, Judgement dated 22 July 2026

APTEL held that:

- i. The requirement for two 220 kV bays at Hamirpur (PG) ISTS substation to connect the proposed Palampur (Dehan) substation was crystallised at the 30th Standing Committee Meeting on 19 December 2011 and approved at the 25th NRPC meeting on 23-24 February 2012, with the appellant’s concurrence. The two-years’ advance-intimation requirement applied only to the remaining 24 bays proposed for future implementation, not to these approved bays.
- ii. Having requested the bays, participated in later planning meetings without objection and updated POWERGRID on the downstream Dehan-Hamirpur line, the appellant could not deny liability for lack of prior intimation.
- iii. The third proviso to Regulation 6.3A(4) of the Fourth Amendment to the IEGC, 2010, requiring an Implementation Agreement for matching commissioning schedules, was introduced only in April 2016 and could not apply retrospectively to a scheme approved in 2011-12. Reliance on it, not pleaded before the Commission, was an afterthought.
- iv. [PSTCL v CERC & Ors \(Appeal No. 109 of 2021\)](#) was factually distinguishable because PSTCL had neither requisitioned nor agreed to the bays and had objected to them; it did not assist the appellant, which had requested and never disputed the bays.
- v. Where interconnected transmission assets are mismatched, transmission-charge liability rests with the entity whose delay prevents the commissioned asset from entering regular service and does not depend on a bilateral contract, as reaffirmed in Bhopal Dhule Transmission Company Limited v CERC & Ors.





Tata Power Company Limited v Jharkhand State Electricity Regulatory Commission & Anr, Appeal No. 419 of 2022, Judgement dated 22 July 2026

APTEL held that:

- i. The power to relax under Regulation 16.4 is remedial and addresses individual hardship; it cannot rewrite or tighten a clear statutory norm to the regulated entity's prejudice without notice. A generator that outperforms the norm is entitled to retain the resulting efficiency gains rather than have the norm reduced.
- ii. Carrying cost could not be denied for delayed filing of the true-up petition where the delay resulted from late issuance of the MYT Order itself (*lex non cogit ad impossibilia*); the appellant was entitled to carrying cost on the approved FY 2016-17 gap.

Tata Power Trading Company Limited v Karnataka Electricity Regulatory Commission & Ors, Appeal No. 45 of 2018, Judgement dated 15 July 2026

APTEL held that:

- i. The "gaming" finding against the trading licensee was unsustainable: intentional non-revision of the schedule to obtain commercial advantage concerned the generator, not the intermediary, and the respondent ESCOMs had not sought such compensation before the Commission, making the direction beyond the pleadings.
- ii. Where the generator cannot supply the scheduled capacity, liability rests with the generator, not the trading licensee.
- iii. The appellant was not liable for Unscheduled Interchange (UI) Charges because the respondent ESCOMs had abandoned that claim before the Commission and the ABT order/UI Regulations, 2009 were inapplicable.
- iv. The appellant was likewise not liable for Open Access Charges because the Commission recorded twice that the ESCOMs had abandoned the claim but nevertheless imposed liability.
- v. UI Charges under an earlier PPA could not be deducted from bills under a separate later PPA as equitable set-off; cross-demands must arise from the same transaction, under [Jitendra Kumar Khan v Peerless General Finance & Investment Co Ltd, \(2013\) 8 SCC 769.](#)

By order dated 22 September 2026, a Supreme Court Bench comprising Justice PS Narasimha and Justice Alok Aradhe dismissed the Civil Appeal, finding no error of law or fact in APTEL's decision.

Torrent Power Limited v Gujarat Electricity Regulatory Commission, Appeal Nos. 475 of 2022, 476 of 2022 and 189 of 2023, Judgement dated 8 July 2026

APTEL held that:

- i. Revenue for computing revenue gap/surplus in true-up must be considered on a "billed" basis, consistent with the methodology before and after FY 2018-19 and GERC's correction in Review Petition No. 20 of 2024, and not on an Ind AS 115 "accrual" basis, which would double-count FPPA revenue recognised and approved for the succeeding financial year.

- ii. The Commission could not introduce its First-In-First-Out theory for the first time in argument because it was absent from the impugned order's reasoning; however, as the first appellate forum, the Tribunal decided the issue on the merits.
- iii. Once quantified through appellate adjudication, including consequential APTEL judgements, amounts merge with the original tariff order, form part of approved past-period gaps and attract carrying cost from the due date until accounting in ARR under Regulation 21.6 of the GERC MYT Regulations, 2016.

Jindal Power Limited & Ors v Power Grid Corporation of India Limited & Ors and other connected matters, Appeal No. 171 of 2019 & batch, Judgement dated 7 July 2026

APTEL, while rejecting the plea of several generating companies for the recusal of the Technical Member, held that:

- i. Prior participation by a Technical Member in an expert committee in an official capacity, and the expression of views during such deliberations, do not by themselves give rise to a reasonable apprehension of bias or warrant recusal from hearing an appeal on related issues.
- ii. A distinction exists between a previously expressed "opinion" and an "entrenched belief". Technical expertise necessarily involves prior participation in professional or technical deliberations.
- iii. Treating every prior professional opinion as disqualifying would defeat the purpose of appointing Technical Members with specialised expertise.
- iv. The doctrine of necessity applies, given that only 2 (two) Technical Members presently serve on APTEL, 1 (one) of whom (Ms. Seema Gupta) has already recused herself, with no imminent prospect of a further appointment.
- v. The availability of an alternative writ remedy under Articles 226/227 of the Constitution does not detract from the doctrine of necessity, since the interim order dated 8 October 2020 was passed by APTEL itself and cannot be vacated by any other authority.

Vibrant Greentech India Private Limited v Andhra Pradesh Electricity Regulatory Commission & Ors; Southern Power Distribution Company of Andhra Pradesh Limited & Ors v Andhra Pradesh Electricity Regulatory Commission & Anr, Appeal Nos. 11 of 2022 and 468 of 2022, Judgement dated 7 July 2026

APTEL held that:

- i. A PPA executed after the APERC (Terms and Conditions for Tariff Determination for Wind Power Projects) Regulations, 2015 took effect required specific State Commission approval. It could not receive "deemed approval" merely by conforming to the approved Model PPA format because Regulation 27(ii) makes applicability conditional on conformity with the Regulations and requires filing of the executed PPA and certification of conformity under the Commission's letter dated 1 August 2014.





- ii. Having executed the PPA, permitted synchronisation and evacuation, and accepted energy for nearly three years while a petition on that PPA was pending, APSPDCL exceeded its authority by unilaterally disconnecting the facility and should have awaited the Commission's determination.
- iii. Compensation under Section 70 of the Indian Contract Act, 1872 was proper because electricity injection, despite the PPA's ultimate unenforceability, was not unlawful. "Lawfully" excludes acts prohibited by law, fraudulent conduct or officious conduct; later contract invalidity does not retrospectively make knowingly accepted and metered electricity unlawful.

Power Grid Corporation of India Limited v Central Electricity Regulatory Commission & Ors, Appeal No. 367 of 2019, Judgement dated 6 July 2026

APTEL held that:

- i. The Commission should have considered the appellant's correspondence with Government authorities when assessing the entire 15 months and 29 days of time overrun, from 2 December 2010 to 31 March 2012, attributable to land-acquisition delays for Assets 1 to 4 at the Lakhisarai substation; the correspondence was on record but overlooked.
- ii. Indian Meteorological Department data showing 60% hrainfall in September–October 2012 than in the previous year should have been considered as support for condoning the monsoon delay, rather than rejected for lack of "valid documentary evidence".
- iii. Regulation 12(1)(a) of the CERC (Terms and Conditions of Tariff) Regulations, 2014, which treats land-acquisition delay as a "controllable factor", is not absolute or mechanically applied. Read with Regulation 12(2) and the Statement of Reasons, it permits case-by-case condonation of delay caused by uncontrollable factors, including force majeure and change in law, on proper documentary proof.
- iv. APTEL condoned the entire time overrun for Assets 1 to 4, except for 3 months and 23 days, and for Assets 5 to 8, and remanded fresh IDC and IEDC computation to the Commission within three months.

Renew Solar Energy (TN) Pvt Ltd v Madhya Pradesh Electricity Regulatory Commission & Anr, Appeal No. 53 of 2020, Judgement dated 3 July 2026

APTEL held that:

- i. "Shut down" in Regulation 10 of the MPERC (Co-generation and Generation of Electricity from Renewable Sources of Energy) (Revision-I) Regulations, 2010, means that plant machinery is switched off and the plant ceases operation. It does not include non-solar hours when a solar plant remains operational and ready to generate but cannot do so for lack of sunlight.
- ii. The doctrine of ejusdem generis applies to "or during such emergencies" following "shut down" in Regulation 10; the provision therefore does not cover periods when the plant is operational and ready but lacks the resource to generate.
- iii. Power imported by a solar plant during non-solar hours, where the plant supplies the same State Discom under a PPA, must be billed net of exports and imports under the relevant PPA clause, not under Regulation 10 at the temporary HT Industrial Category tariff.
- iv. [Malwa Solar Power Generation \(P\) Ltd v MPERC, 2020 SCC OnLine APTEL 24](#), was distinguishable because that generator sold all power to Discoms outside the State through SECI on a back-to-back basis and was not entitled to netting-off; the appellant supplied directly to the Madhya Pradesh Discom.

Radiance Punjab Renewable Private Limited v Punjab State Electricity Regulatory Commission & Ors, Appeal No. 200 of 2018, Judgement dated 3 July 2026

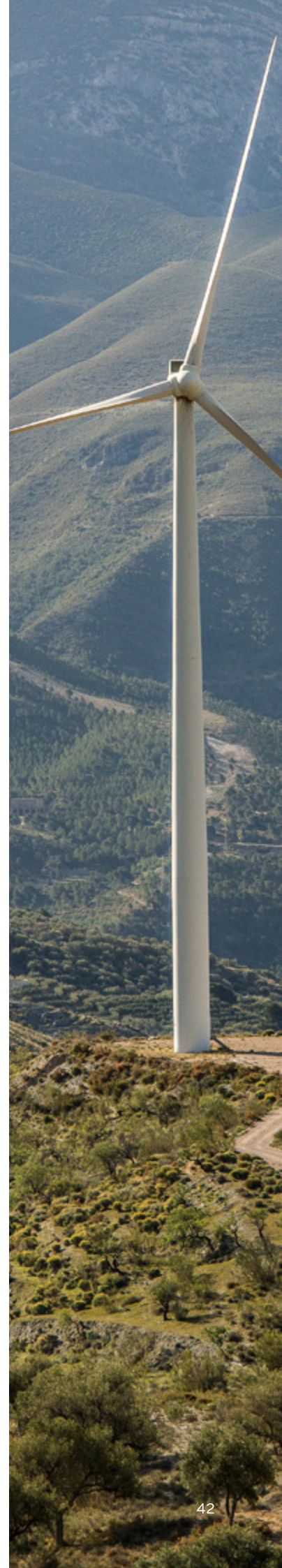
APTEL held that:

- i. A PPA takes effect only on State Commission approval under Section 86(1) (b) of the Electricity Act. The Scheduled Delivery Date under Article 10 must therefore be calculated from approval, not execution. The generator cannot be expected to undertake project-related steps or incur expenditure under the PPA before such approval.
- ii. Failure to issue a formal force majeure notice under Article 10.4 of the Implementation Agreement or Article 19.2 of the PPA was not fatal where the delay-causing event—late PPA approval—was already known to the respondents, unlike wholly external events of which a counterparty may be unaware.
- iii. The findings on grid-connectivity and supplementary-PPA delay, attributing 6 days to PEDDA and specified delays to PSPCL for each site, were affirmed as error-free.
- iv. The Jat-agitation delay claim was rejected for lack of Force Majeure notice because the event was external and unconnected to the respondents, requiring formal notice under Article 10.4 of the Implementation Agreement and Article 9.2 of the PPA, consistent with [Chamundeswari Electricity Supply Company Limited v Sai Sudhir \(P\) Limited, \(2026\) 1 SCC 799](#).

Maruti Clean Coal and Power Limited v Central Electricity Regulatory Commission & Ors, Appeal No. 183 of 2020, Judgement dated 3 July 2026

APTEL held that:

- i. Delay in operationalisation of Long-Term Access (LTA) would not constitute force majeure where such delay was attributable to the generator's own failure to act with reasonable care and diligence.
- ii. Partial supply of contracted power could constitute valid "commencement of supply" under the PPA, where the PPA contemplated commencement of supply of power "up to" the Aggregate Contracted Capacity, thereby determining the commencement of the first contract year.
- iii. Even assuming that commencement of supply was to be reckoned only upon full supply of the contracted capacity, the generator's unjustified delay in furnishing the Letter of Credit, after the relevant transmission line had achieved COD, could not be permitted to shift the commencement of the first contract year to a later date so as to avail a higher first-year tariff.





Key Orders – Central Electricity Regulatory Commission

Adani Hybrid Energy Jaisalmer One Limited v Solar Energy Corporation of India Limited & Anr. in Petition No. 345/MP/2022, and Haryana Power Purchase Centre v Adani Hybrid Energy Jaisalmer One Limited & Anr. in Petition No. 6/MP/2024, Order dated 10 September 2026 (majority; Member Harish Dudani dissenting on the Safeguard Duty issue)

By majority, CERC held that the 2020 Safeguard Duty Notification (Notification No. 02/2020-Customs (SG), dated 29 July 2020) is a Change in Law event under Article 12 of the PPAs dated 28 November 2019. It was held that, since AHEJOL's actual expenditure fell, the Notification operated in the procurer's favour rather than the generator's favour. AHEJOL was therefore not entitled to compensation, and HPPC could recover the 0.5% difference between the 15% duty assumed in the bid and the 14.5% paid. The majority further held that:

- i. Using the actual LOA date of 25 January 2019, RIS timelines produced an SCOD of 25 October 2020, leaving only 87 days after expiry of the 2018 notification. Because the record showed 3 to 10 months from the bill of entry to commissioning, it was prudent to presume that AHEJOL priced in the last known 15% duty under the 2018 notification.
- ii. The 2021 GST increase on renewable-energy devices from 5% to 12% is a Change in Law event, and AHEJOL may recover the additional cost as an annuity at a 9.12% discount rate over 15 years. Carrying cost is the lowest of the actual interest rate, working-capital rate under the RE Tariff Regulations and PPA late-payment surcharge rate, despite the absence of a restitution clause.
- iii. The 2021 Basic Customs Duty (BCD) increase on solar inverters, consequential social welfare surcharge and IGST, and the Supreme Court's 2021 Great Indian Bustard order on bird diverters and undergrounding were recognised as Change in Law events. However, the finding in paragraph 89(c) of the summary states that AHEJOL is "not entitled" to recover those costs. That wording in the conclusion therefore appears inconsistent with the finding and may require reconciliation.
- iv. Directions on post-COD compensation and carrying cost will not be enforced until the Supreme Court decides TSNPDCL v Parampujya Solar Energy (Civil Appeal No. 8880 of 2022). HPPC is liable to SECI for reconciled claims, but SECI's payment to AHEJOL does not depend on HPPC paying SECI.

Dissent: Member Dudani held that 87 days was sufficient for import and commissioning, noting that SECI estimated 3 to 4 months. In his view, finding otherwise rested on surmise and conjecture rather than evidence; AHEJOL, therefore, would not have priced in the 2018 duty and HPPC's counter-claim would fail.

Essar Power Transmission Company Limited (now AMNS Power Transmission Company Limited) v Essar Power MP Limited & Ors. in IA Diary No. 241 of 2026 in Petition Diary No. 233 of 2026, Order dated 2 September 2026

CERC held that a commercial entity cannot ordinarily obtain exemption from, deferment of or waiver of a statutory filing fee without cogent documentary evidence of genuine financial incapacity or exceptional circumstances. It rejected the transmission licensee's request for filing-fee relief on true-up petitions for the 2014-19 and 2019-24 tariff periods. Liquidity constraints, pending tariff recoveries (cumulative impact

of about INR 2,353.68 crore) and working-capital stress were held to have arisen in the ordinary course of its business and did not justify relaxation.

The petitioner filed no audited financial statements, cash-flow records, insolvency proceedings or other supporting documents. Regulations 26 and 27 of the 2023 Conduct of Business Regulations do not permit exemption from or deferment of filing fees. Applying indigency principles under Order XXXIII of the Code of Civil Procedure, no exceptional circumstances were shown. The Registry must register the main petition only after payment of the fee and cure of deficiencies.

Bhakra Beas Management Board v MACLEC Technical Project Laboratory Private Limited & Ors. in Petition No. 145/AT/2026, Order dated 29 August 2026 (majority; separate dissent by Member Harish Dudani)

By majority, CERC held that the absence of Central Government technology-specific bidding guidelines under Section 63 of the Electricity Act does not prevent tariff adoption through competitive bidding; its general regulatory power under Section 79(1)(b) applies, following *Energy Watchdog v CERC*. CERC adopted a tariff of INR 3.39/unit for 40 years for BBMB's 1 MW (4 × 250 kW) pilot surface hydrokinetic project in the Nangal Hydel Channel. The majority further held that:

- i. The non obstante clause in Section 63 overrides only Section 62 and does not limit CERC's Section 79(1)(b) jurisdiction. Without guidelines, CERC must satisfy itself that the bidding was transparent, competitive and consistent with the Act.
- ii. BBMB used the closest available procurement framework: the CVC Manual for Procurement of Works with CEA/MNRE norms for hydro RESCO projects. It published the tender on the CPP Portal, evaluated bids in two stages, conducted an e-reverse auction and obtained Board approval. The discovered tariff was below the average power purchase cost (APPC) of every partner State except Himachal Pradesh.

Dissent: Learned Member Dudani dissented on the question of tariff adoption and gave separate reasons. He held that BBMB, being aware that Section 63 of the Electricity Act required Central Government guidelines, ought to have approached the Ministry of Power for such guidelines before proceeding to tender, rather than after the bidding process had concluded. The Learned Member noted that of the three bidders who participated, one was found technically non-compliant and excluded, leaving only two bidders in contention, whose final bids after the e-reverse auction differed by a single paisa. He further noted that the successful (L-1) bidder, MACLEC, was the same entity that had developed the hydrokinetic technology under evaluation, and that it had sought to satisfy the technical eligibility criteria by relying on a prior project stated to have been executed on a verbal direction from a government department, without a formal work or purchase order. On this basis, the Ld. Member held that the integrity of the bidding process did not inspire confidence, and that the grant of a 40-year power purchase agreement for a pilot project based on nascent technology raised questions that called for a policy decision by the Central Government, rather than an order adopting the tariff under Section 63.





In Re: Procedure for levying compensation charges for permitting additional time to achieve milestones under the CERC (Connectivity and General Network Access to the inter-State Transmission System) Regulations, 2022 in Petition No. 5/SM/2026, Order dated 14 August 2026

CERC has finalised a uniform procedure permitting Connectivity grantees under the CERC (Connectivity and General Network Access to the Inter-State Transmission System) Regulations, 2022 to seek additional time to meet the milestones of land-document submission, Financial Closure and Commercial Operation Date (COD), on payment of Milestone Extension Charges (MEC). The procedure was issued under Regulation 41 (power to relax), read with Regulation 44 (suo motu directions), of the GNA Regulations, following a draft order dated 15 April 2026 and a public hearing held on 19 May 2026. CERC has held that the mechanism is optional and facilitative, available only to entities demonstrating genuine project progress, and is not a routine entitlement. The procedure takes effect from the date of the order, applies uniformly to all eligible entities and remains optional; entities not opting for it continue to be governed by the GNA Regulations in the ordinary course.

Spring Vayu Vidyut Private Limited v Central Transmission Utility of India Limited & Ors. in Petition No. 616/MP/2025 with IA Nos. 50 of 2025 and 113 of 2026, Order dated 3 August 2026

CERC held that connectivity granted under the 2009 Connectivity Regulations and transitioned to the GNA Regulations is subject to all GNA provisions, including Regulation 24.6. It was held that, for transitioned cases, SCOD is the later of the connectivity start date sought and that granted in the transition application. Revocation trigger dates were therefore considered as 15 December 2025 for Tranche A, 30 September 2025 for Tranche B and 28 February 2026 for Tranche C. CERC further held that:

- i. Before the Third Amendment of 9 September 2025, only the full connectivity quantum could be converted from the Land route to the PPA/LOA route; partial conversion is now allowed, subject to a 50 MW minimum. CTUIL therefore properly refused conversion of 32.1 MW of Tranche A's 55.44 MW connectivity.
- ii. Conversion requires the LoA to be issued to the connectivity grantee. CTUIL therefore properly rejected Tranche C because NTPC issued the LoA to the petitioner's parent company.
- iii. Separate connectivity grants originating from one Stage-I approval remain distinct under the GNA Regulations and cannot be combined for route conversion. CERC directed reconsideration of Tranche B because its conversion request was made after the aligned SCOD but before the revocation date.
- iv. Projects nearing completion should not be stranded. CERC set aside revocation of Tranches A and B and restored them, subject to compensation calculated on 50% of Conn-BGs with graded monthly escalation for a maximum 15-month delay.
- v. Revocation of Tranche C was upheld because, one year after SCOD, the project had made no substantial progress beyond land acquisition.

In Re: Mechanism for treatment of connectivity granted under the GNA Regulations based on the LOA where the PPA has not been signed within a period of 12 months from the date of issuance of the LoA, Petition No. 11/SM/2026, Order dated 10 July 2026

Acting suo motu under its powers to relax and remove difficulty, CERC created a one-time mechanism for connectivity based on LoAs issued between 1 January 2019 and 31 May 2025 by SECI, NTPC, NHPC and SJVN where no PPA was signed for more than 12 months after the LoA. Each covered entity must choose one of four options within 60 days after CTUIL publishes the final list. An entity that does not choose is deemed to have selected Option IV. CERC further held that:

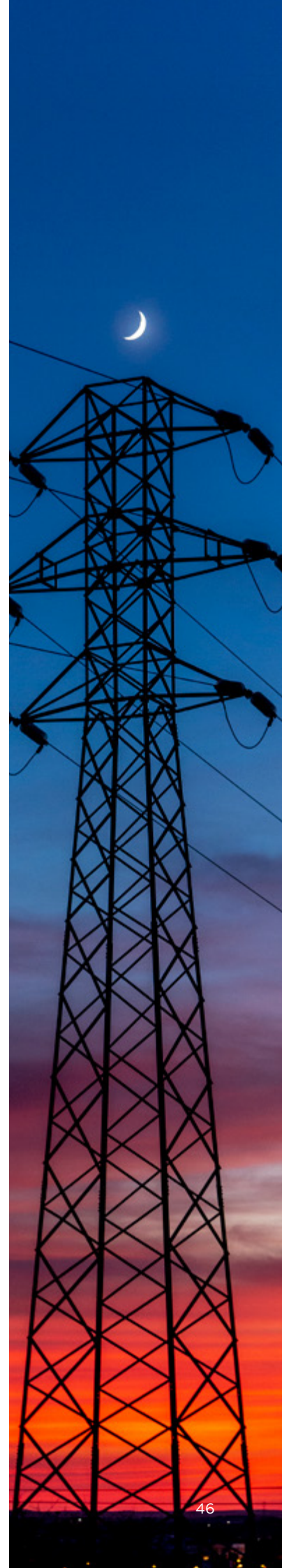
- i. Option I (exit from the LOA route while keeping connectivity): the entity needs an No Objection Certificate (NoC) from the REIA and a performance bank guarantee of INR 8 Lakhs/MW. SCOD is 24 months from CTUIL's intimation or the firm connectivity start date, whichever is later. The LoA cannot then be used to obtain other connectivity.
- ii. Option II (substitute the LOA with a PPA signed under another LOA): the substitute PPA may be signed by the grantee, parent or subsidiary, and SCOD is capped at 30 months from conversion. Connectivity earlier obtained on the substitute PPA must move to Option I or III; otherwise it is treated as surrendered.
- iii. Option III (surrender): the entity surrenders connectivity with an REIA NoC and receives its Conn-BGs back. Freed capacity is first offered within the same substation cluster at a base price of INR 3 Lakhs/MW and then auctioned openly on ascending bids if not taken up. Proceeds reduce drawee DISCOMs' monthly transmission charges.
- iv. Option IV: the entity remains governed by the GNA Regulations.

CERC observed that REIAs should not indefinitely retain LoAs while awaiting PSAs because an LoA supports connectivity, which is a scarce resource. REIAs must decide NoC applications within 15 days and record reasons for rejection. CTUIL must issue detailed auction modalities within 60 days.

Azure Power India Private Limited & Anr. v Central Transmission Utility of India Limited in Petition No. 287/MP/2026 with IA No. 99/2026, Order dated 2 July 2026

CERC held that Azure Power Sixty-Three Private Limited's 300 MW solar project at Raghnesda, Gujarat, warranted relief under the GNA Regulations' powers to relax and remove difficulty. It condoned delayed submission of land documents under Regulation 11A(1), which requires 50% of the project land, and allowed filing by 31 August 2026 subject to compensation equal to 5% of the Land BG. CERC further held that:

- i. The petitioner had secured about 307 acres, roughly 34% of the required land. Its remaining requirement, stated at the hearing as six weeks, justified a short extension to allow the project to proceed and the transmission system to be used efficiently.
- ii. The compensation must be deposited with CTUIL within 15 days. If unpaid, CTUIL may act under the GNA Regulations. The amount collected will reduce monthly transmission charges under the 2020 Sharing Regulations.





Key Orders – State Electricity Regulatory Commissions

Jaipur Vidyut Vitran Nigam Limited, Ajmer Vidyut Vitran Nigam Limited and Jodhpur Vidyut Vitran Nigam Limited in Petition No. RERC/2428/2026, Order dated 19 August 2026 (RERC)

RERC held that the RERC (BESS) Regulations, 2026 and the Ministry of Power's BESS Bidding Guidelines dated 11 March 2022 must be read together, so deviations require approval from both RERC and the Appropriate Government. Given the novelty of 33/11 kV BESS deployment and the absence of a standard framework for small projects, RERC allowed the Discoms to procure 1 MW/4 MWh standalone decentralised BESS projects at 172 locations at 33/11 kV substations. It stated that this was a one-time pilot dispensation, not a precedent, and allowed small DTR-level BESS projects in CAPEX mode as regulatory sandboxes with prior RERC approval. The Discoms were directed to:

- i. Place location-study results before RERC when seeking tariff adoption;
- ii. Justify the reasonableness of the discovered tariff;
- iii. Prepare a comprehensive BESS deployment plan with the STU; and
- iv. Include pilot capacity in forthcoming Resource Adequacy Plans.

M/s Renew Solar Photovoltaic Private Limited v Solar Energy Corporation of India Limited & Anr. in Petition No. RERC/2350/2025 with IA No. 01/2025, Order dated 19 August 2026 (RERC)

RERC held that the financial impact of a Change in Law event cannot be quantified accurately until commissioning, so limitation runs from the COD of the last part capacity, not from the triggering notification. The petition filed on 24 July 2025 was therefore within limitation from COD on 25 March 2025. RERC confirmed that the 2021 GST Notifications, increasing GST on renewable-energy devices from 5% to 12%, constitute a Change in Law event under Article 12 of the PPA. A petition without impact computation and supporting documents remains incomplete until those documents are filed. Because the documents were filed only with the rejoinder on 27 April 2026, no carrying cost was allowed from 26 March 2025 to 27 April 2026. Carrying cost was allowed from actual expenditure to COD and from 28 April 2026 to the order date at the lowest of the actual interest, working-capital and late-payment-surcharge (LPS) rates. SECI and RUVITL were directed to reconcile within 90 days and reimburse the principal through the Article 12.2.2 tariff adjustment. Arrears from COD to the supplementary bill must be paid upfront within 60 days, failing which LPS applies.

M/s Renew Hans Urja Private Limited v Solar Energy Corporation of India Limited & Anr. in Petition No. RERC/2349/2025 with IA No. 01/2025, Order dated 19 August 2026 (RERC)

RERC held that a generator approaching the Commission more than six months after COD without impact computation and supporting documents is not entitled to carrying cost for its delay, even if the Change in Law event is recognised. RERC confirmed that the 2021 GST Notifications constitute a Change in Law event under Article 12 of the PPA for the petitioner's 600 MW solar project and found the petition within limitation from COD on 1 January 2025. An SCOD extension for RVPN's unavailable evacuation bay did

not justify denying carrying cost. However, because the petition was filed on 24 July 2025 and the documents were filed on 27 April 2026, and the explanation was rejected, carrying cost was disallowed from 2 January 2025 to 27 April 2026. Carrying cost was allowed from actual expenditure to COD and from 28 April 2026 to the order date at the lowest of the three rates. SECI and RUVITL were directed to reconcile within 90 days and reimburse the principal through the Article 12.2.2 tariff adjustment. Arrears from COD are payable upfront within 60 days of the supplementary bill, failing which late-payment surcharge applies.

Removal of difficulties under Regulation 6 of the RERC (Renewable Purchase Obligation) Regulations, 2023, Petition No RERC/2288/2025 & 2289/2025, Order dated 28 July 2026 (RERC)

Rajasthan Electricity Regulatory Commission (RERC) held that:

- i. Captive users operating Captive Power Plants (CPPs) of 1 MW and above are “obligated entities” under Regulations 3 and 4 of the RERC (Renewable Purchase Obligation) Regulations, 2023, regardless of fuel/source;
- ii. Renewable energy generated by captive solar plants and self-consumed behind the meter counts towards RPO, so no separate procurement is required to that extent; and
- iii. The same renewable-energy units cannot support both RPO compliance and issuance or trading of renewable energy certificates or other environmental attributes.

Uttar Pradesh State Load Despatch Centre v Uttar Pradesh Power Corporation Limited & Ors in Petition No. 2270 of 2025, Order dated 3 September 2026 (UPERC)

UPSLDC sought removal of difficulties arising from an alleged inconsistency between Regulation 7(3) of the UPERC (Merit Order Despatch and Optimisation of Power Purchase) Regulations, 2021 and Regulation 49 of the Central Electricity Regulatory Commission (Indian Electricity Grid Code) Regulations, 2023, said to impede compliance with the Electricity (Late Payment Surcharge and Related Matters) (Amendment) Rules, 2024, particularly in relation to schedule revisions and the use of un-requisitioned surplus power. Because UPERC had published the Draft Uttar Pradesh Electricity Grid Code, 2026, with comprehensive provisions on the same subjects for consultation, it held that the issues should be addressed at the scheduled public hearing rather than in isolation and dismissed the petition with the Petitioner’s consent.

U.P. Rajya Vidyut Utpadan Nigam Limited v U.P. Power Corporation Limited in Petition No. 2394 of 2026, Order dated 14 August 2026 (UPERC)

UPRVUNL sought approval and relaxation under the UPERC (Terms and Conditions of Generation Tariff) Regulations, 2024 to permit post-COD additional capitalisation for solar plants within generating stations, reducing auxiliary consumption and increasing ex-bus declared capacity without changing normative parameters. UPERC held that the Tariff Regulations do not permit additional capitalisation beyond the original post-COD scope. Although it may later develop an enabling framework through stakeholder consultation, a





generating company cannot use an adjudicatory petition to undertake what is substantively legislative or regulatory rule-making. The petition was dismissed in limine.

Suo-Motu Proceedings re: Smart Prepaid Meter Overcharging in Petition No. 73SM of 2026, Order dated 12 August 2026 (UPERC)

UPERC took suo motu cognisance after UPPCL directed Discoms to charge new connections the Cost Data Book (2019) rate for basic smart meters (IS 15884) while installing superior smart meters (IS 16444), without UPERC authorisation under Section 46 of the Electricity Act. After earlier directing refunds of the differential to affected consumers and personal attendance by each Discom's Director (Commercial), UPERC noted incomplete filings and unexplained absences, accepted unconditional apologies and recorded that all 92,231 eligible accounts had been credited with an aggregate INR 32.75 crore refund. It separately directed UPPCL, within two months, to submit a roadmap for replacing the remaining keypad/token prepaid meters, including STS meters apparently installed contrary to UPERC's Tariff Order dated 22 November 2025, with Smart/DSDR meters, while reserving the right to act firmly on future irregularities.

UPPCL Clarification re: Regulation 16 of the Captive and Renewable Energy Generating Stations Regulations, 2024 in Petition No. 2364 of 2026, Order dated 24 July 2026 (UPERC)

UPPCL sought clarification on when interest under Regulation 16 of the UPERC (Captive and Renewable Energy Generating Plants) Regulations, 2024 begins for over/under-recovery arising from retrospective reconciliation of the provisional FY 2023-24 tariff, continued under Suo Motu Order No. 69/SM/2024, with the final tariff. After reviewing representative bagasse-based PPAs with different billing, due-date and Late Payment Surcharge provisions, UPERC held that, because the Regulations are silent and the PPAs are not uniform, interest runs from the "due date of payment of the bill/invoice" under each PPA rather than from a generic date.

Sanyo Special Steel Manufacturing India Pvt Ltd v Maharashtra State Electricity Distribution Corporation Limited in Case No. 35 of 2025, Order dated 7 September 2026 (MERC)

Sanyo Steel, a partial open-access consumer sourcing solar power from a captive generator (TP Alpha, under a CGP arrangement) and multiple non-captive third-party renewable generators, sought clarification that Regulation 14.10 of the MERC Distribution Open Access First Amendment Regulations, 2019 requires captive renewable energy to receive priority over non-captive renewable energy. Sanyo Steel contended that MSEDCL's contrary practice forced captive solar into unusable banked energy, causing 8% banking losses and threatening the 51% minimum offtake under Rule 3 of the Electricity Rules, 2005 and the resulting CSS/ASC exemption. MERC held that Regulation 14.10 deliberately distinguishes "Renewable Energy Generators" (clause (a)) from "Captive Generating Plant" (clause (b)) as separate priority categories, and that the Statement of Reasons confirms the distinction. The pro-rata proviso operates only within a category, not across categories; non-captive RE under clause (a) is therefore credited before captive generation under clause (b). MERC rejected purposive and beneficial construction because no genuine ambiguity existed, held that the consumer alone is responsible for meeting the Rule 3 offtake threshold, found banking losses under Regulation 20.3 attributable to the Petitioner's sourcing choices and dismissed the petition, including costs.

Maharashtra State Electricity Distribution Corporation Limited - Utility-Led Aggregation Model for PM Surya Ghar/SMART Scheme in Case No. 184 of 2026 & I.A. No. 172 of 2026, Order dated 19 August 2026 (MERC)

MSEDCL sought approval under Section 86(1)(e) of the Electricity Act for a Utility-Led Aggregation (ULA) model installing 1 kWp rooftop solar systems across 2,11,206 BPL/EWS low-income households (approximately 211 MW). The model combines Central Financial Assistance (60%) under PM Surya Ghar: Muft Bijli Yojana, State Financial Assistance (30-35%) under Maharashtra's SMART scheme and capped consumer contributions (5-10%); MNRE's in-principle approval required MERC sign-off. MERC approved the model on an expedited basis, noting no financial burden on MSEDCL, its social-welfare objective and compliance with the MERC (Grid Interactive Rooftop Renewable Energy Generating Systems) Regulations, 2019. It directed MSEDCL to meet MNRE's implementation timeline because CFA lapses if missed, and limited approval to implementing the ULA model, without endorsing any specific financial liability, subsidy disbursement, procurement process or expenditure beyond the record.

KERC directs implementation of Directive on reduction in demand charges for HT Industrial Consumers during power outages (KERC)

KERC, by order dated 31 August 2026 in KERC/17/DDD/1251/2026-27/2446, considered MESCOM's request for a three-year extension to implement the Commission's Tariff Order 2025 directive reducing demand charges for eligible HT Industrial Consumers during outages exceeding monthly limits, effective 1 April 2026.

The KERC, *inter alia*, held that:

- i. MESCOM's request for a three-year extension was rejected because Distribution Licensees had sufficient implementation time;
- ii. Distribution Licensees must implement the directive without further delay and apply the demand-charge reduction to all eligible HT Industrial Consumers;
- iii. Financial liability for transmission-system interruptions must be identified and recovered from KPTCL, while the concerned Distribution Licensee bears liability for interruptions attributable to it or within its control;
- iv. Distribution Licensees must maintain verifiable records of interruptions, including duration, cause and responsible system element, and provide implementation reports when requested by the Commission.

KERC issues Suo-Motu Order on deemed approval of Mini-Hydro and Wind PPAs completing 20 years (KERC)

KERC, by suo motu order dated 1 July 2026 in KERC/9/DDP/2026-27, addressed delayed renewal of Power Purchase Agreements (PPAs) for Mini-Hydro and Wind generators completing their initial 20-year term, under KERC's earlier suo motu order dated 4 March 2024.





The KERC, *inter alia*, directed that:

- i. Mini-Hydro and Wind generators wishing to supply power for a further 10 (ten) years from the 21st year must apply for renewal at least 90 (ninety) days before the initial agreement expires, agreeing to supply at 85% of the 20th-year tariff or a negotiated tariff, whichever is lower, under KERC's Order dated 4 March 2024;
- ii. On receiving the application, the ESCOM must decide before PPA expiry whether to continue beyond 20 years and, if power is required, negotiate tariff subject to KERC's order dated 4 March 2024; otherwise, it must notify the generator before expiry;
- iii. Where power is required, ESCOMs must execute renewal PPAs/SPPAs before the initial term expires, extending it by 10 (ten) years; the renewed PPAs/SPPAs are deemed approved by KERC;
- iv. Where a generator applies for renewal and the ESCOM fails to act, the PPA is deemed extended under KERC's order dated 4 March 2024, subject to KERC's final decision on disputes or errors in the renewed PPA;
- v. ESCOMs must submit renewed PPAs/SPPAs to KERC for information with the applicable fee.

KERC directs SLDC, KPTCL to initiate action against non-compliant generators for delay in implementation of Automatic Meter Reading (AMR) facilities (KERC)

KERC, by order dated 10 July 2026, reviewed compliance with its 1 January 2025 Order directing KPTCL to install Automatic Meter Reading (AMR) facilities for Independent Power Producers (IPPs), recover installation and maintenance costs from the generators and submit weekly progress reports.

KERC noted that SLDC and KPTCL had floated a tender and awarded AMR implementation and comprehensive AMC work to M/s NSOFT (India) Services Private Limited under a deposit-contribution mechanism. Of 79 new-generator installations, 67 generators had not paid AMR costs; of 1,710 generators under comprehensive AMC, 940 had not paid SLDC, delaying implementation and breaching KERC directions.

KERC directed the Nodal Agency, SLDC, to petition KERC for action under Section 142 of the Electricity Act against non-compliant generators.

Removal of Difficulty (Fourth Order) in the Delhi Electricity Regulatory Commission (Supply Code and Performance Standards) Regulations, 2017, Order dated 1 July 2026 (DERC)

DERC held that:

- i. For EV Public Charging Stations (EV PCS), Battery Swapping Stations (BSS) and Battery Charging Stations (BCS) established under the PM E-DRIVE Scheme, the Distribution Licensee's demand note for LT connections up to 200 kW must include the full upstream-infrastructure cost specified under the PM E-DRIVE Scheme
- ii. That cost must be determined using the Commission-approved Cost Data Book (CDB)
- iii. Upstream-infrastructure costs under the PM E-DRIVE Scheme do not form part of the Distribution Licensee's Aggregate Revenue Requirement (ARR) and may not be passed through the tariff to consumers.



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