

Tangedco to remove HT/LT distinction for rooftop solar

But industry not impressed by power utility's decision

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Tamil Nadu's state-owned electricity generation and distribution company, Tangedco, wants to do away with the distinction between High Tension (HT) and Low Tension (LT) consumers for rooftop solar projects, a senior official of the utility told *BusinessLine*. Right now, LT consumers may put up rooftop solar projects and connect them to the grid, but HT consumers are not allowed to.

However, HT consumers (such as factories and commercial establishments like malls, which need high quantities of electricity, and to whom power is supplied at a voltage exceeding 11 kV) are typically those with large

roofs and demand for power, and hence, are more likely to put up rooftop solar plants. They may still put up rooftop solar plants, but the plants cannot be connected to the grid.

This has been a sore issue with HT consumers because even if they put up a rooftop plant for their own consumption, they have had to let any surplus electricity go waste, as they are not connected to the grid.

But now, Tangedco has requested the Tamil Nadu government to amend its solar policy so that even HT consumers can connect to the grid and sell any surplus electricity to the utility – a bi-directional meter will calculate the energy that is taken from and put into the grid.

Consumers not impressed

However, the HT consumers are not impressed with this because the price offered for the electricity they would sell to the grid is extremely low –



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₹2.1 a kWhr, currently – calculated as 75 per cent of ₹2.8 a kWhr, the solar tariff discovered in capacity auctions.

These HT consumers sometimes pay as high as ₹8 when they buy power from Tangedco, but when they sell power from their rooftop solar plants, they get only ₹2.1.

The distinction is not without logic, though. Solar power is cheap and so it ought to be paid lesser. How-

ever, not as low as ₹2.1.

Industry insiders, such as Manu Karan, Vice President – Business Development at CleanMax, a solar energy company, point out that the price discovered in solar auctions (around ₹2.8 a kWhr) is for large capacity, utility-scale projects. They are typically projects of size of 100 MW to 500 MW. The basis of pricing of electricity from these plants cannot be the same as for rooftop solar, which at best may be 2 MW.

Experts also note that it is not as though Tangedco doesn't understand this. Only, it is too broke to pay a higher rate. In 2017-18, it made a net loss of ₹7,760 crore, and today, it doesn't have enough money to pay its power suppliers and other service providers.

Till Tangedco's financial position improves, it is Hobson's choice for rooftop solar plant owners in Tamil Nadu – take what is put on the table, or don't put up the projects.