



Karnataka HC Strikes Down Electricity Rules, 2022

For Prelims: [Electricity \(Promoting Renewable Energy Through Green Energy Open Access\) Rules, 2022 \(GEOA Rules, 2022\)](#), [Electricity Regulatory Commission](#), [Renewable Energy Programmes](#), [Green Energy](#), [Waste-to-Energy Plants](#), [Discoms](#), [Renewable Purchase Obligation \(RPO\)](#), [Green Hydrogen](#), [Green Ammonia](#), [Electricity Act, 2003](#), [Glasgow Summit 2021](#), [Union List](#), [Concurrent List](#).

For Mains: Promotions of open access green energy and issues arising out of it.

[Source: BS](#)

Why in News?

Recently, in the *Brindavan Hydropower Private Limited Case, 2024*, the Karnataka [High Court](#) struck down the [Electricity \(Promoting Renewable Energy Through Green Energy Open Access\) Rules, 2022 \(GEOA Rules, 2022\)](#), formulated by the Central Government.

- The Court also **struck down** the **Karnataka Regulatory Commission (Terms and Conditions for Green Energy Open Access) Regulations, 2022**, which were framed by Karnataka [Electricity Regulatory Commission](#) (KERC) based on the now-invalidated **GEOA Rules, 2022**.

What are the Key Facts of the Case?

- **Petitioners' Arguments:** Hydroelectric companies challenged the **GEOA Rules, 2022**, asserting that the rule **infringed on KERC's exclusive powers** to frame rule under **Sections 42(2) and 181** of the [Electricity Act, 2003](#).
- **Centre's Defence:** The Central Government defended the rules, citing its powers under **Entry 14 of the Union List**, **Entry 38 of the Concurrent List**, and Section 176(1) of the Electricity Act, 2003.
 - It claimed the rules were **essential** to meet international treaty obligations under **COP26** Commitments at the [Glasgow Summit 2021](#).
- **Reason for Striking Down:** The Court ruled that the Central Government **lacked authority** under the Electricity Act, 2003, to frame such rules, as these powers are **delegated to State Electricity Regulatory Commissions like KERC**.
 - The Court stated that the centre **cannot use Section 176(2) as a residual power** to override the regulatory framework.
 - Electricity Act, 2003 ensures that **regulatory powers**, including **tariff determination and open access provisions**, are exercised by independent regulatory commissions, free from governmental interference.

Note:

- **Electricity Policy, 2005** places the responsibility for facilitating **open access** squarely on **State**

Regulatory Commissions.

- **Electricity Act, 2003:**
 - **Section 42(2):** It assigned the **Appropriate Commission exclusive authority over open access to distribution of licensees.**
 - **Section 181:** State Commissions may issue **regulations consistent with the Electricity Act, 2003** and its rules to implement its provisions.
 - **Section 176(1):** The **Central Government** may make rules for carrying out the provisions of this Act, 2003.
 - **Section 176(2):** It provided for **framing Rules for the specific purposes** enumerated therein. E.g., functions and duties of the Central Electricity Authority.
- **Entry 14 of the Union List:** It deals with entering into **treaties and agreements** with **foreign countries** and **implementing treaties, agreements and conventions** with foreign countries.
- **Entry 38 of the Concurrent List:** Electricity is a **concurrent subject** at Entry 38 in List III of the [seventh Schedule](#) of the Constitution of India.
 - The **Ministry of Power** is primarily responsible for the development of **electrical energy** in the country.

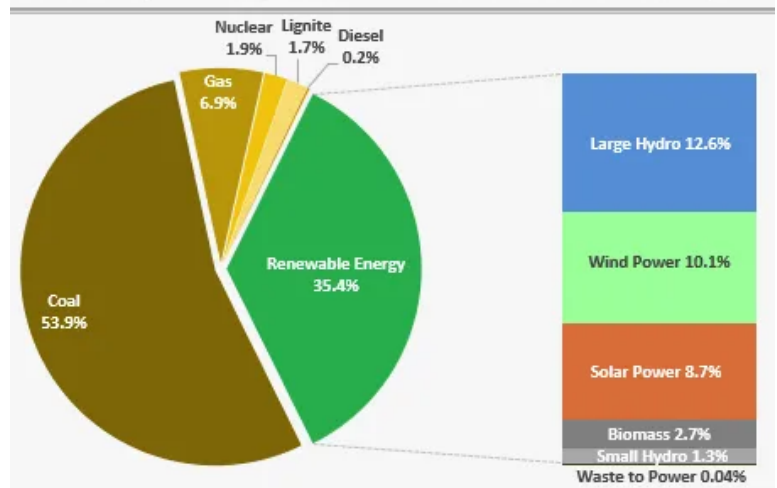
What are GEOA Rules, 2022?

- **About:** It was notified to **accelerate** India's ambitious [renewable energy programmes](#), with the objective of ensuring access to **affordable, reliable, sustainable and green energy** for all through **open access**.
 - Open Access means a **consumer** can buy **electricity** from a person, **other than distribution licensee** of his area of supply.
- **Salient Features:**
 - **Green Energy:** It promotes the **generation, purchase, and consumption** of green energy, including energy from [Waste-to-Energy plants](#).
 - **Lower Threshold:** The Open Access Transactions limit was reduced from **1 MW to 100 kW**, allowing **small consumers** to buy renewable energy.
 - **Right to Demand Green Power:** Consumers are **entitled to ask** for green power from [Discoms](#), which **must supply it**.
 - **Uniform RPO:** A uniform [Renewable Purchase Obligation \(RPO\)](#) applies to all obligated entities, including [Green Hydrogen](#) and [Green Ammonia](#).
 - RPO **mandates** obligated entities, such as **discoms**, to purchase a **certain percentage** of their electricity from **renewable energy (RE)** sources.
 - **Green Certificates:** Consumers using green energy receive [green certificates](#) as **recognition**.
 - Incentives like **caps on cross-subsidy** and removal of **extra surcharges** promote green energy.

What is the Status of India's Power Sector?

- India, the **third-largest electricity producer and consumer** (442.85 GW as of April 2024), saw power consumption grow by 9.5% in FY23.

India - Cumulative Installed Power Capacity Mix (%)



- Energy projects form 24% of the **Rs. 111 lakh crore infrastructure pipeline**.
- The **aggregate technical & commercial (AT&C)** losses stands at **15.4%** in the fiscal year 2023.
 - Under the **Revamped Distribution Sector Scheme (RDSS)**, India aims to reduce the AT&C losses at pan-India levels to **12-15% by 2024-25**.
- **Committee Related to Reform in Power Sector:**
 - **Kirit Parikh Committee (2022):** Recommended pricing reforms for **petroleum and natural gas** linked to power generation.
 - **Ashok Chawla Committee (2011):** Studied **resource allocation**, including coal and natural gas for power generation.
 - **Deepak Parekh Committee (2008):** Recommended measures for **financing power sector projects**.

India's Updated NDC Target

- At the **COP26 Glasgow Summit, 2021**, India pledged to cut emissions **to net zero by 2070**, outlining a five-pronged "**Panchamitra**" climate action plan.
 - Achieve **500 GW** of non-fossil energy capacity by 2030.
 - Source **50%** of energy requirements from **renewable sources** by 2030.
 - Reduce projected carbon emissions by **1 billion tonnes by 2030**.
 - Lower **carbon intensity** of the economy by **45% by 2030** compared to 2005 levels.
 - Reach **net-zero** emissions by **2070**.

UNFCCC COP 29

About UNFCCC COP

UNFCCC Conference of Parties (COP)

Meets Annually (unless the Parties decide otherwise)

First COP

COP 29 (2024)

Supreme decision-making body of UNFCCC

In Bonn, the Secretariat (unless a Party offers to host the session)

Held in Berlin, Germany (1995)

Baku, Azerbaijan

Major Outcomes of COP 29

Key Goals & Agreements

USD 300 billion annual climate finance goal by 2035 under the New Collective Quantified Goal on Climate Finance (NCQG)

Agreement on govt-to-govt carbon markets (under the Paris Agreement)

Extended Lima Work Programme on Gender (2014) for 10 years

Over 30 countries endorsed → Reducing Methane from Organic Waste Declaration (India is not a signatory)

New Initiatives & Programs

01 Global Matchmaking Platform for Industrial Decarbonisation

02 Baku Adaptation Roadmap for National Adaptation Plans

03 Baku Initiative for Climate Finance, Investment, and Trade (BIOFIT) Dialogue

04 Baku Harmoniya Climate Initiative for Farmers

05 Baku Initiative on Human Development for Climate Resilience

06 Climate and Health Continuity Coalition

07 Adopted → Baku Workplan & renewed the Facilitative Working Group (FWG)

Sector-Specific Declarations

Declaration on Green Digital Action

Declaration on Enhanced Action in Tourism

Baku Call on Climate Action for Peace, Relief and Recovery

Multisectoral Actions Pathways (MAP) Declaration for Resilient and Healthy Cities

Declaration on Water for Climate Action

| India's Initiatives |

- Advocated industrial decarbonisation & hydrogen solutions
- Endorsed disaster-resilient infrastructure through Coalition for Disaster Resilient Infrastructure
- Endorsed gender-inclusive climate action
- Supported solar energy adoption, targeting 20-fold increase by 2050
- India & Sweden co-chaired → 6th Annual Summit of the Leadership Group for Industry Transition (LeadIT)

COP 30 to be held in Belem, Brazil in November, 2025



Conclusion

The Karnataka High Court's ruling **underscores** the need for adherence to the **Electricity Act, 2003**, ensuring that the power to **regulate open access** remains with State Electricity Regulatory Commissions. The judgment highlights the **balance between central policies and state autonomy**, pivotal for India's energy sector governance.

Drishti Mains Question:

Evaluate India's commitments under the COP26 summit and their impact on national energy policies.

UPSC Civil Services Examination, Previous Year Question (PYQ)

Prelims

Q. In India, which of the following review the independent regulators in sectors like telecommunications, insurance, electricity, etc.?(2019)

1. Ad Hoc Committees set up by the Parliament
2. Parliamentary Department Related Standing Committees
3. Finance Commission
4. Financial Sector Legislative Reforms Commission
5. NITI Aayog

Select the correct answer using the code given below:

- (a) 1 and 2
- (b) 1, 3 and 4
- (c) 3, 4 and 5
- (d) 2 and 5

Ans: (a)

Q. With reference to the Indian Renewable Energy Development Agency Limited (IREDA), which of the following statements is/are correct? (2015)

1. It is a Public Limited Government Company.
2. It is a Non-Banking Financial Company.

Select the correct answer using the code given below:

- (a) 1 only
- (b) 2 only
- (c) Both 1 and 2
- (d) Neither 1 nor 2

Ans: (c)

Mains

Q. "Access to affordable, reliable, sustainable and modern energy is the sine qua non to achieve Sustainable Development Goals (SDGs)". Comment on the progress made in India in this regard. (2018)

Q. What do you understand about the Run-of-river hydroelectricity project? How is it different from any other hydroelectricity project? (2013)

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