WHEREAS the Arunachal Pradesh Electricity Regulatory Commission have published in the Arunachal Pradesh Government Gazette on different dates the following, namely:-


A. Arunachal Pradesh Electricity Regulatory Commission (APSERC), (Renewable Power Purchase Obligation and its Compliance) Regulations, 2012; (First Amendment), 2016; (Notification No. : APSERC/Notification/19/2016., Dated: 25.02.2016)

B. Arunachal Pradesh Electricity Regulatory Commission (APSERC), (Renewable Power Purchase Obligation and its Compliance) Regulations, 2012; (Second Amendment), 2016; (Notification No. : APSERC/Notification/20/2016, Dated: 05.10.2016)

- Inserted/ Replaced matter is shown as [ ] at appropriate place; wordings inserted/replaced shown within square brackets;
- In both of above cases; D; superscript D implies that change is caused by Amendment ‘4’;

NOTIFICATION
The 11th April’2012

RENEWABLE POWER PURCHASE OBLIGATION AND ITS COMPLIANCE REGULATION 2012

No. APSERC/NOTIFICATION/8/2012, Dated 11th April’2012 : In exercise of the powers conferred by sub-section (1) of section 181 read with sub-section (1) of section 62, section 66, clauses (a), (b) and (e) of section 86 and clause (zi) of sub-section (2) of section 181 of the Electricity Act, 2003 (36 of 2003) and all other powers enabling it in this behalf, and after previous publications, the Arunachal Pradesh State Electricity Regulatory Commission hereby makes the following regulations:-

1. Short title and commencement -(1) These regulations may be called the Arunachal Pradesh State Electricity Regulatory Commission (Renewable Power Purchase Obligation and its Compliance) Regulations, 2012.

(2) These regulations shall come into force from the date of their publication in the Gazette Arunachal Pradesh.
2. **Definitions**: In these regulations, unless the context otherwise requires,-

(a) “Act” means the Electricity Act, 2003 (36 of 2003);

(b) “Central Agency” means the agency as may be designated by the Central Commission under clause (1) of regulation 3 of the Central Electricity Regulatory Commission (Terms and Conditions for recognition and issuance of Renewable Energy Certificate for Renewable Energy Generation) Regulations, 2010;

(c) “Central Commission” means the Central Electricity Regulatory Commission referred to in sub-section (1) of section 76 of the Act;

(d) “Certificate” means the renewable energy certificate issued by the Central Agency in accordance with the procedures prescribed by it and under the provisions specified in the Central Electricity Regulatory Commission (Terms and Conditions for recognition and issuance of Renewable Energy Certificate for Renewable Energy Generation) Regulations, 2010”;

(e) “Commission” means the Arunachal Pradesh State Electricity Regulatory Commission;

(f) “obligated entity” means the distribution licensee, consumer owning the captive power plants and open access consumers in the State of Arunachal Pradesh, which is mandated to fulfill renewable purchase obligation under these regulations;

(g) “renewable energy sources” means non-conventional renewable electricity generating sources such as mini/micro/small hydro power projects upto and including 25 MW capacity, wind, solar including its integration with combined cycle, biomass, bio-fuel cogeneration, urban or municipal waste and such other sources as recognized or approved by the MNRE.

(h) “State agency” means the agency in the State of Arunachal Pradesh as may be designated by the Commission to act as the agency for accreditation and recommending the renewable energy projects for registration and to undertake such functions as may be specified under clause (e) of sub-section (1) of section 86 of the Act; and

(i) the words and expressions used in these regulations and not defined herein but defined in the Act or the regulations issued by the Central Commission or any other regulations issued by the Commission, shall have the same meaning assigned to them respectively in the Act or such regulations issued by the Central Commission or such other regulations issued by the Commission.

3. **Applicability of Renewable Power Purchase Obligation (RPPO)**.- These regulations shall apply to -

(1) the distribution licensee;

(2) any other person consuming electricity-

(i) generated from Captive Generating Plant having capacity of 1 MW and above for his own use; and/or

(ii) procured from generation through open access third party sale.
Quantum of Renewable Power Purchase Obligation (RPPO).

(1)(a) The distribution licensee shall purchase electricity (in kWh) from renewable sources, at a defined minimum percentage of the total consumption including transmission and distribution losses, within the area of the distribution licensee, during a year.

(b) The Captive and Open Access User(s)/Consumer(s), shall purchase electricity (in kWh) from renewable sources, at a defined minimum percentage of his total consumption.

Explanation: For the purpose of this regulation “the defined minimum percentage” shall be as given in the table below:

<table>
<thead>
<tr>
<th>Year</th>
<th>Minimum Quantum of purchase (in %) from renewable sources (in terms of energy in kWh) of total consumption</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Total (2)</td>
</tr>
<tr>
<td>(1)</td>
<td></td>
</tr>
<tr>
<td>2012–13</td>
<td>4.2%</td>
</tr>
<tr>
<td>2013–14</td>
<td>5.6%</td>
</tr>
<tr>
<td>2014–15</td>
<td>7%</td>
</tr>
</tbody>
</table>

Provided that the solar power purchase obligation shall be fulfilled from the generation based on solar sources only:

Provided further that such obligation to purchase renewable energy shall be inclusive of:

(i) purchases from generating stations based on renewable energy sources;

(ii) purchases from any other distribution licensee, which would arise from renewable sources;

(iii) the energy generated from its own renewable sources, if any, by the obligated entity;

Provided further that the power purchases under the power purchase agreements for the purchase of renewable energy sources already entered into by the distribution licensee shall continue to be made till their present validity, even if the total purchases under such agreements exceeds the percentage as specified hereinbefore.

(2) Keeping in view supply constraints or other factors beyond the control of the licensee, the Commission may, suo motu or at the request of a licensee, revise the percentage targets for a year as per sub-regulation (1) of this

1 Deleted and substituted Regulation 4, vide First amendment (A), 2016
(3) The RPPO specified for the Financial Year 2014-15 shall be continued beyond 2014-15 till any revision is affected by the Commission in this regard.

4(a) (i) The obligated entities as per Regulation 3 (of the original RPPO Regulation – 2012), shall for the purpose of this Regulation purchase the electricity (in KWh) from renewable sources at a defined minimum percentage as given in Table below:

<table>
<thead>
<tr>
<th>FY Ending</th>
<th>Minimum Quantum of purchase (in %) from renewable sources (in terms of energy in kWh)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>(1)</td>
</tr>
<tr>
<td>2016-17</td>
<td>9.00</td>
</tr>
<tr>
<td>2017-18</td>
<td>10.50</td>
</tr>
<tr>
<td>2018-19</td>
<td>12.50</td>
</tr>
<tr>
<td>2019-20</td>
<td>15.00</td>
</tr>
<tr>
<td>2020-21</td>
<td>17.50</td>
</tr>
<tr>
<td>2021-22</td>
<td>20.50</td>
</tr>
</tbody>
</table>

(ii) For Non-Solar RPO the obligated entities shall purchase electricity from renewable sources at the above defined minimum percentage of the total consumption of electricity by them during the relevant year including the T&D losses.

(iii) For Solar Specific RPO, the obligated entities shall purchase electricity at

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2 Modified RPO table of Regulation 4, vide Second amendment (B), 2016
the above defined minimum percentage of the total consumption of electricity by them, excluding the Hydro Power, during the relevant year but including the T&D losses.

Provided that the Solar Purchase Obligation shall be fulfilled from generation based on solar sources only.

(iv) Provided that such obligation to purchase renewable energy shall be inclusive of

(1) Purchase from generating stations based on renewable energy sources.

(2) Purchase from any other distribution licensee, which would arise from renewable sources.

(3) the energy generated from its own renewable sources, if any, by the obligated entity.

Provided further that the power purchases under the power purchase agreements for the purchase of renewable energy sources already entered into by the distribution licensee shall continue to be made till their present validity, even if the total purchases under such agreements exceeds the percentage as specified hereinbefore.

(b) Keeping in view supply constraints or other factors beyond the control of the licensee, the Commission may at the request of a licensee, revise the percentage targets for a year.

(c) The RPPO specified for the Financial Year 2021-22 shall be continued beyond 2021-22 till any revisions affected by the Commission in this regards.

3 The Renewable Power Purchase Obligation beyond 2018-19 shall be specified separately.

Rest all Regulations of the APSERC (renewable Power purchase Obligation & its Compliance) Regulations 2012) shall remain unchanged.

5. Certificates under the regulations of the Central Commission.-

(1) Subject to the terms and conditions contained in these regulations the Certificates issued under the Central Electricity Regulatory Commission (Terms and Conditions for recognition and issuance of Renewable Energy Certificate for Renewable Energy Generation) Regulations, 2010 shall be the valid instruments for the discharge of the mandatory obligations set out in these regulations for the obligated entities to purchase electricity from renewable energy sources:

Provided that in the event of the obligated entity fulfilling the
renewable purchase obligation by purchase of certificates, the obligation to
purchase electricity from generation based on solar as renewable energy
source can be fulfilled by purchase of solar certificates only and the obligation
to purchase electricity from generation based on renewable energy other than
solar can be fulfilled by purchase of non-solar certificates.

(2) Subject to such direction as the Commission may give, from time to
time, the obligated entity shall act consistent with the Central Electricity
Regulatory Commission (Terms and Conditions for recognition and issuance
Regulations, 2010 notified by the Central Commission in regard to the
procurement of the certificates for fulfillment of the Renewable Power
Purchase Obligation under these regulations.

(3) The Certificates purchased by the obligated entities from the power
exchange in terms of the regulation of the Central Commission mentioned in
sub-regulation (1) shall be deposited by the obligated entities with the
Commission in accordance with the detailed procedure issued by the Central
Agency.

6. State Agency and its Functions

(1) The Commission designates Arunachal Pradesh Energy Development
Agency (APEDA) as the State Agency for accreditation and recommending
the renewable energy projects for registration with Central Agency and to
undertake following functions under these regulations:

   a. Frame a procedure consistent with the procedure framed by
      Central Agency to meet the requirement of these regulations.
   b. Accreditation of eligible entities at State level and recommending them to Central Agency for registration at the central level,
   c. Maintaining and settling accounts in respect of certificates,
   d. Repository of transactions in certificates, and
   e. Such other functions incidental to the implementation of renewable energy certificate mechanism as may be assigned by the Commission from time to time.

(2) The State Agency shall function in accordance with the directions
issued by the Commission and shall act consistent with the procedures and
rules laid by Central Agency for discharge of its functions under the Central
Electricity Regulatory Commission (Terms and Conditions for recognition

(3) The State Agency shall develop the formats for submission of
quarterly progress report in respect of compliance of renewable purchase
obligation by the obligated entities and get them approved by the Commission
within 3 months of issuance of these Regulations. State Agency may also
suggest appropriate action to the Commission, if required, for compliance of
the renewable purchase obligation.

(4) If the Commission is satisfied that the State Agency is not able to discharge its functions satisfactorily, it may by general or special order, and by recording reasons in writing, designate any other agency to function as State Agency as it considers appropriate.

(5) The Commission shall, either on its own motion or on request of the State Agency, by an order as deemed appropriate, constitute a co-ordination committee for facilitating the implementation of these regulations:

7. **Distribution Licensee** - (1) Each distribution licensee shall indicate, along with sufficient proof thereof, the estimated quantum of purchase from renewable sources for the ensuing year in tariff/annual performance review petition in accordance with regulations notified by the Commission. The estimated quantum of purchase shall be in accordance with sub-regulation (1) of regulation 4 of these regulations. If the distribution licensee is unable to fulfill the obligation, the shortfall of the specified quantum of that year would be added to the specified quantum for the next year. However, credit for excess renewable power purchase would not be adjusted in the ensuing year.

    (2) Despite availability of energy from renewable sources under the Power Purchase Agreements or the power exchange mechanism or from its own renewable sources or purchase of certificates, if the distribution licensee fails to fulfill the minimum quantum of purchase from renewable sources, it shall be liable to pay compensation as per regulation 9 of these regulations.

8. **Captive and Open Access User(s)/Consumer(s)** - (1) The quantum of RPPO inclusive of transmission and distribution losses mentioned in sub-regulation (1) of regulation 4, shall be applicable to captive and open access user(s)/consumer(s) from the date of this notification in the Official Gazette.

    (2) Every Captive and Open access consumer(s)/user(s) shall have to submit necessary details regarding total consumption of electricity and power purchase from Renewable Energy sources for fulfillment of RPPO on yearly basis on or before the 30th April to the State Agency.

    (3) Captive and Open Access Consumer(s)/User(s) shall consume renewable energy as stated in the Table below regulation 4. If the Captive user(s) and Open Access consumer(s) are unable to fulfill the criteria, the shortfall of the targeted quantum would attract payment of compensation as per regulation 9 of these regulations.

    (4) Captive/Open Access consumer(s)/User(s) may fulfill its RPPO through the renewable energy certificate as provided in regulation 5 of these regulations.

9. **Consequences of default** - (1) Where the obligated entity does not fulfill the renewable purchase obligation as provided in these regulations during any year and also does not purchase the certificates, the Commission may direct
the obligated entity to deposit into a separate fund, to be created and
maintained by such obligated entity, such amount as the Commission may
determine on the basis of the shortfall in units of RPPO and the forbearance
price decided by the Central Commission:

Provided that the fund so created shall be utilised, as may be directed
by the Commission partly for purchase of the certificates and partly for
development of transmission/sub transmission infrastructure for evacuation of
power from generating stations based on renewable energy sources:

Provided further that the obligated entities shall not be authorized to
use the fund created in pursuance of regulation without prior approval of the
Commission:

Provided further that the Commission may empower an officer of the
State Agency to procure from the Power Exchange the required number of
certificates to the extent of the shortfall in the fulfillment of the obligations,
out of the amount in the fund:

Provided further that the distribution licensee shall be in breach of its
licensee conditions if it fails to deposit the amount directed by the Commission
within 15 days of the communication of the direction.

(2) Where any obligated entity fails to comply with the obligation to purchase
the required percentage of power from renewable energy sources or the
renewable energy certificates, it shall also be liable for penalty as may be
imposed by the Commission under section 142 of the Act:

Provided that in case of genuine difficulty in complying with the
renewable power purchase obligation because of non-availability of
certificates, the obligated entity can approach the Commission to carry
forward the compliance requirement to the next year:

Provided further that where the Commission has consented to carry
forward of compliance requirement, the provision of sub-regulation (1) or the
provision of section 142 of the Act shall not be invoked.

10. **Overriding effect.** - The provisions of these regulations shall have effect
notwithstanding anything inconsistent therewith contained in any other
regulations, framed by the Commission, relating to the determination of tariff,
and/or making provisions for open access under the Act.

11. **Power to remove difficulties.** - If any difficulty arises in giving effect to any of the
provisions of these regulations, the Commission may, either suo-motu or on an
application made to it, by general or special order, direct the licensee/generator or
any other person to take suitable action, not being inconsistent with the Act,
which appears to the Commission to be necessary or expedient for the purpose of
removing the difficulty.
12. **Issue of orders and directions.**- Subject to the provisions of the Act and these regulations, the Commission may, from time to time, issue orders and practice directions with regard to the implementation of these regulations and procedure to be followed for such implementation and matters incidental or ancillary thereto.

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

14. **Interpretation.**- All issues arising in relation to interpretation of these regulations shall be determined by the Commission and the decision of the Commission on such issues shall be final.

By Order of the Commission,

Secretary,
Arunachal Pradesh State Electricity Regulatory Commission,
Itanagar