## DELHI ELECTRICITY REGULATORY COMMISSION

(Renewable Purchase Obligation and Renewable Energy Certificate Framework Implementation) Regulations, 2018

<table>
<thead>
<tr>
<th>Sl. No.</th>
<th>Description</th>
<th>Summary</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Control Period</td>
<td>N.A.</td>
</tr>
</tbody>
</table>
| 2.      | Renewable Purchase Obligation | 1. The Distribution licensees shall procure 100% power generated from all the Waste-to-Energy plants in the State, in the ratio of their procurement of power from all sources including their own as approved by the Commission from time to time.  
2. Every obligated entity shall meet its RPO target either by way of its own generation or by way of purchase of renewable energy or by way of purchase of Renewable Energy Certificate(s) or by way of combination of any of the above options.  
3. Obligated entity may purchase REC for any shortfall in meeting their RPO Targets for any financial year within three months or three trading session from the date of completion of relevant financial year whichever is later  
4. In case the obligated entity procures excess renewable power over and above its RPO target in any year, the obligated entity shall be allowed to set off in following order:  
   - Against past accumulated shortfall in RPO compliance, if any,  
   - Carry forward excess quantum of renewable power after set off against past accumulated shortfall in RPO compliance upto three succeeding years and shall be set off against the quantum of Renewable Purchase Obligation of such succeeding year(s). |
| 3.      | State Nodal Agency | 1. Accreditation and recommendation of the renewable energy projects for registration under REC mechanism and shall act in accordance with the procedures/rules laid by Central Agency for discharge of its functions under the Central Electricity Regulatory Commission (Terms and Conditions for recognition and issuance of Renewable Energy Certificate for Renewable Energy Generation) Regulations, 2010 as amended from time to time  
2. The Commission may fix the remuneration and charges payable to the State Nodal Agency for discharge of its functions and the same shall be recovered from the accredited entities and the obligated entities. |
| 4.      | Open Access Consumer(s) | 1. Any Open Access consumer who intends to purchase or is purchasing electricity under open access arrangement from sources other than renewable energy source shall submit the projections regarding total consumption of electricity and purchase of energy from renewable sources for fulfillment of RPO of the relevant financial year at the time of submission of application to the nodal agency for open access  
2. The distribution licensee shall take into account the projections submitted by the open access consumer for the purpose of computation of the value of FDR/ Bank Guarantee for the relevant financial year as prescribed by the commission in the Order and intimate the value of Bank Guarantee or Fixed Deposit Receipt (FDR) to the open access consumer by the time of conveying its initial consent to nodal agency for open access  
3. The Open Access consumer shall submit Bank Guarantee or Fixed Deposit Receipt (FDR) before issuance of compliance report for completion of metering formalities (Bank Guarantee valid upto 3 months).  
4. In case of fulfillment of RPO compliance of the open access consumer, the distribution licensee shall release the Bank Guarantee or Fixed Deposit Receipt (FDR), within 7 days of reconciliation of RPO compliance. |
5. **Captive User(s)**

1. Any Captive user who consumes electricity generated from captive generating plant to the extent of its consumption met through such captive sources other than renewable energy source shall submit the projections regarding total consumption of electricity and purchase of energy from renewable sources for the relevant financial year for fulfillment of RPO of the relevant year by 31st March of the preceding financial year.

2. The distribution licensee shall take into account the projections submitted by the Captive Users for the purpose of computation of the value of Bank Guarantee or Fixed Deposit Receipt (FDR) for the relevant financial year as prescribed by the commission in the Order and intimate the value of Bank Guarantee or Fixed Deposit Receipt (FDR) to the Captive User within 7 days of receipt of such information.

3. The Bank Guarantee or Fixed Deposit Receipt (FDR) shall be valid upto three months or three trading session from the date of completion of relevant financial year whichever is later.

4. In case of part fulfillment or non-fulfillment of RPO compliance of the Captive User, the distribution licensee shall encash Bank Guarantee or Fixed Deposit Receipt (FDR) for the amount equal to shortfall units towards compliance of RPO target.

5. If the distribution licensee fails to release Bank Guarantee or Fixed Deposit Receipt (FDR), an interest at the rate of 1.0% per month shall be payable by distribution licensee for delayed period on the amount of Bank Guarantee or Fixed Deposit Receipt (FDR) to be released.

6. **Distribution Licensee(s)**

1. The cost incurred by the distribution licensee to meet its RPO target shall be allowed to be recovered in Annual Revenue Requirement (ARR) as per the provisions of the applicable Regulation.

2. The distribution licensee shall purchase renewable energy certificate from the amount realised on encashment of Bank Guarantee or Fixed Deposit Receipt (FDR) and the balance amount realised through bill of Open Access consumer or of Captive User.

3. Distribution Licensee shall submit necessary details regarding total sales of electricity to the consumers in its area and purchase of energy from renewable sources for fulfillment of RPO on annual basis within three months or three trading session from the date of completion of relevant financial year whichever is later to the State Nodal Agency.

4. Non compliance of RPO by the distribution licensee shall attract a penalty as specified by the Commission in relevant Business Plan Regulations to the extent of shortfall units towards compliance of RPO target.

7. **Renewable Energy Pricing**

1. A renewable energy project shall have an option of adopting either the tariff pricing structure or the REC mechanism for pricing of the electricity generated from the project.

2. The projects opting for tariff under sub Regulation (1), above, shall have to continue with the same tariff pricing structure till the period of validity of Power Purchase Agreement.

3. Renewable energy project shall exercise its choice for selection of appropriate pricing mechanism prior to execution of the Power Purchase Agreement with the distribution licensee or with open access consumer, as the case may be.