

DELHI ELECTRICITY REGULATORY COMMISSION

(Draft-Renewable Purchase Obligation and Renewable Energy Certificate Framework Implementation) Regulations, 2020, Dated: 19.10.2020

Sl. No.	Description	Summary																				
1.	Control Period	N.A.																				
2.	Applicability	<p>These Regulations shall apply to the following obligated entities in the National Capital Territory of Delhi:</p> <ol style="list-style-type: none"> 1. Distribution Licensees; 2. Any Captive user, using other than Renewable Energy Sources exceeding 1 MW; and 3. Any Open Access Consumer having contract demand exceeding 1 MW and sourcing power from other than Renewable Sources of Energy. 																				
3.	Renewable Purchase Obligation for Long Term Open Access (LTOA) and Medium Term Open Access (MTOA) Consumers	<ul style="list-style-type: none"> • For the period from 01/04/2017 to 31/03/2020, the RPO targets for Long Term Open Access (LTOA) and Medium Term Open Access (MTOA) Consumers shall be same as the target of FY 2016-17 as specified in Delhi Electricity Regulatory Commission (Renewable Purchase Obligation and Renewable Energy Certificate Framework Implementation) Regulations, 2012. • Further that the compliance of cumulative targets for the above mentioned intervening period for LTOA/MTOA shall be met by such entities within two years from the date of notification of these Regulations. 																				
		<table border="1"> <thead> <tr> <th>Defined Minimum quantum of Purchase (in % age) from Renewable energy sources (in terms of energy equivalent in kWh) of Total Consumption Year</th> <th>Solar</th> <th>Total</th> </tr> </thead> <tbody> <tr> <td>2016-17</td> <td>0.35%</td> <td>9.00%</td> </tr> </tbody> </table>	Defined Minimum quantum of Purchase (in % age) from Renewable energy sources (in terms of energy equivalent in kWh) of Total Consumption Year	Solar	Total	2016-17	0.35%	9.00%														
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4.	Renewable Purchase Obligation (RPO)	RPO Targets for Obligated Entities:																				
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<ul style="list-style-type: none"> • The Obligated Entity shall comply with its RPO targets separately for Solar & Non-Solar, excluding consumption met from hydro other than small hydro sources of power, through procurement of Solar energy and Non-Solar energy. • On achievement of Solar RPO compliance as specified in aforesaid Regulation to the extent of 85% and above, remaining shortfall if any can be met by excess Non-Solar energy/Non-Solar REC purchased beyond non-Solar RPO for that particular year. • On achievement of Non-Solar RPO compliance as specified in aforesaid sub-Regulation (2) to the extent of 85% and above, remaining shortfall if any, can be met by excess Solar energy/Solar REC purchased beyond Solar RPO for that particular year. • Obligated Entities may purchase power from various Renewable Energy sources or RECs or combination of both for any shortfall in 																						

		meeting their total RPO targets for any financial year within three months from the date of completion of the relevant financial year.
5.	Other Conditions for Compliance	<ul style="list-style-type: none"> • The power purchase from generating station(s) based on Renewable Energy Sources registered for issuance of REC under CERC (Terms and Conditions for recognition and issuance of Renewable Energy Certificate for Renewable Energy Generation) Regulations 2010 as amended from time to time, shall not qualify for RPO of the Obligated Entities. • The quantum of electricity generated by Net Metering consumers other than Obligated Entity eligible under DERC (Net Metering for Renewable Energy) Regulations, 2014 as amended from time to time or under Delhi Solar Policy, 2016 as amended from time to time shall qualify towards compliance of Renewable Purchase Obligation (RPO) for the Distribution Licensee of the area. • 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, or as approved by the Commission from time to time. • The renewable energy procured by the Obligated Entity from renewable energy generating stations bundled with coal/lignite generating stations shall be considered towards compliance of RPO to the extent of power procured from such renewable energy generating station. • The Distribution Licensee shall submit its quarterly progress report to the Commission along with RPO compliance status of Open Access Consumers & Captive Users on the capacity addition, generation and purchase of electricity from Renewable Energy Sources & purchase of RECs and also upload the progress report on its website.
6.	State Nodal Agency	<ol style="list-style-type: none"> 1. The State Nodal Agency (SNA) shall discharge the following functions, namely: <ul style="list-style-type: none"> • 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; • Develop suitable protocol for collection of information from various sources such as renewable energy generating companies, Obligated Entities, State Load Despatch Centre (SLDC) or any other agency on regular basis and compile such information to compute the compliance of RPO target by Obligated Entities; • Publish monthly statement of renewable energy procurement and RPO compliance by different Obligated Entities on a cumulative basis by 25th day of the next month on its website; 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 other than Distribution Licensees. 3. If the Commission is satisfied that the State Nodal Agency is not able to discharge its functions satisfactorily, it may by an Order, and after recording reasons in writing, designate another agency to function as State Nodal Agency, as it considers appropriate.

<p>7.</p>	<p>Open Access Consumer(S):</p>	<ol style="list-style-type: none"> 1. Open Access Consumer receiving electricity from Renewable Energy sources shall be exempted from the Wheeling, Transmission, Cross Subsidy Surcharge and Additional Surcharge to the extent of quantum of RPO compliance: 2. The generators using Renewable Energy Sources shall provide certificate to Obligated Entities that no REC/ RPO claim for this power has been made. 3. Every Open Access Consumer shall submit necessary details to Distribution Licensee regarding total consumption of electricity and purchase of energy from Renewable Sources for fulfillment of RPO on yearly basis within 15 days from the date of notification of these Regulations. 4. The Distribution Licensee shall take into account the projections submitted by the Open Access Consumer for the purpose of computation of the value of Bank Guarantee (BG) or Fixed Deposit Receipt (FDR) for the relevant financial year. 5. The Open Access Consumer shall submit Bank Guarantee or Fixed Deposit Receipt (FDR) to Distribution Licensees before issuance of compliance report for completion of metering formalities. 6. For existing Open Access Consumer on the date of applicability of these Regulations shall submit the Bank Guarantee or Fixed Deposit Receipt (FDR) within 7 days of receipt of intimation of value of Bank Guarantee or Fixed Deposit Receipt (FDR). 7. If the Open Access Consumer is under Open Access on 1st April of Financial Year, the Open Access consumer shall submit the separate Bank Guarantee or Fixed Deposit Receipt (FDR) for the relevant financial year by 30th April of the relevant Financial Year. 8. In case of part fulfillment or non-fulfillment of RPO compliance of the Open Access Consumer, the Distribution Licensee shall encash Bank Guarantee or Fixed Deposit Receipt (FDR) for the amount equal to shortfall units towards compliance of RPO target. 9. 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. 10. 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.
<p>8.</p>	<p>Captive User(S)</p>	<ol style="list-style-type: none"> 1. Every Captive User shall submit necessary details regarding total consumption of electricity from captive generating and purchase of energy from Renewable Sources for fulfillment of RPO on yearly basis within 15 days from the date of notification of these Regulations. 2. The Distribution Licensee shall take into account the projections submitted by the Captive User for the purpose of computation of the value of Bank Guarantee (BG) or Fixed Deposit Receipt (FDR) for the relevant financial year. 3. The Captive User shall submit Bank Guarantee or Fixed Deposit Receipt (FDR) by 30th April of the relevant Financial Year to the Distribution Licensee of its area.

		<ol style="list-style-type: none"> 4. The Captive User shall submit the details of the RPO compliance for reconciliation to the Distribution Licensee of its area within two (2) months from the date of completion of relevant financial year. 5. 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. 6. In case of fulfillment of RPO compliance of the Captive User, the Distribution Licensee shall release the Bank Guarantee or Fixed Deposit Receipt (FDR), within 7 days of reconciliation of RPO compliance: 7. Provided that 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. 8. The Distribution Licensee shall purchase RECs within 30 days of receipt of reconciled statements from Captive Users from the amount realised on encashment of Bank Guarantee or Fixed Deposit Receipt (FDR) and the balance amount, if any, realised through bill of Captive Users.
9.	Distribution Licensee(S)	<ol style="list-style-type: none"> 1. The cost incurred by the Distribution Licensee to meet its RPO target shall be allowed to be recovered in Aggregate Revenue Requirement (ARR) as per the provisions of the applicable Regulations. 2. Distribution Licensee shall also 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, compliance of RPO through BG/FDR etc. w.r.t. other Obligated Entities in their respective area of supply, on annual basis within three months from the date of completion of relevant financial year to the State Nodal Agency and the Commission. 3. Non-compliance of RPO by the Distribution Licensee shall attract a penalty as specified by the Commission in the relevant Business Plan Regulations.
10.	Treatment of Surplus/Shortfall for RPO Compliance	In case the Obligated Entity procures excess renewable power over and above its RPO target in any year, then such surplus power shall be carried forward in meeting its relevant RPO target of subsequent year.
11.	Renewable Energy Pricing	<ul style="list-style-type: none"> • 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. • 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.