

Terms and Conditions for recognition and issuance of Renewable Energy Certificate for Renewable Energy Generation

HIGHLIGHTS

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| TITLE | Terms and Conditions for recognition and issuance of Renewable Energy Certificate for Renewable Energy Generation |
| ISSUED BY | Central Electricity Regulatory Commission |
| ISSUED ON | 14 January 2010 First Amendment Regulations Dated 29-09-2010 Second Amendment Regulations 2011 dated 10-07-2013 Third Amendment Regulations 2014 dated 10-12-2014 Fourth Amendment dated 27.1.2015 Fifth Amendment Regulations 2015 dated 26-6-2015 |
| CATEGORIES | <ul style="list-style-type: none"> For generation of electricity based on solar - Solar REC For generation of electricity based on renewable energy sources other than solar - Non Solar REC |
| ELIGIBILITY | <p>A generating company engaged in generation of electricity from renewable energy sources under the following conditions</p> <ul style="list-style-type: none"> It has obtained accreditation from the State Agency It does not have any PPA for the capacity related to such generation (in case of RE based co-generation plants, the connected load capacity as assessed or sanctioned by the distribution licensee shall be considered as the capacity for captive consumption for the purpose of issuance of certificates) It sells electricity either by (i) distribution licensee at that area at a price not exceeding pooled cost of power purchase of the licensee, or (ii) to any other licensee or to its open access consumer or through power exchange If the generating company prematurely terminates its agreement to supply, shall not be eligible for participating in REC Scheme for three years or up to the expiry of the agreement whichever is earlier. REC generator selling electricity to third party through open access, shall be eligible for the entire energy generated for participating in the REC scheme provided it has not availed or proposes to avail any benefit in the form of concessional (promotional) transmission or wheeling charges or banking facility benefit If the generator forgoes these benefits it shall be eligible for REC schemes from the date it forgoes such benefits. In case of any dispute, the same shall be referred to the Appropriate Commission for decision A distribution licensee shall be eligible to apply for registration with agency for issuance and dealing in certificates if <ul style="list-style-type: none"> It has procured renewable energy in previous financial in excess of the RPO RPO is specified for a year should not be lower than for the previous financial year. Any shortfall in procurement against non-solar or solar power procurement obligation in the previous 3 years, including shortfall waived or carried forward, shall be adjusted first and only remaining additional procurement beyond threshold RPO shall be considered for issuance of REC's to the distribution licensee A CCP based on renewable energy sources, not fulfilling the conditions of CCP as prescribed in the Electricity Rules, 2005 but having self-consumption, shall not be eligible for participating in the REC scheme for the energy generated from such plant to the extent of self-consumption, if such a plant: a) has been commissioned prior to 29th September 2010 or after 31st March 2016; or b) is not registered with Central Agency under REC scheme on or before 30th June 2016. <p>These CCP shall be eligible provided that:</p> <ul style="list-style-type: none"> Such plant does not avail or does not propose to avail any benefits in the form of concessional transmission or wheeling charges and/or banking facility benefit) Such plant meeting the eligibility criteria for REC, forgoes on its own, the benefits of concessional transmission or wheeling charges and/or banking facility benefit. It shall become eligible for participating in the REC scheme only after a period of three years has elapsed from the date of forgoing such benefits (condition shall not apply if the benefits given to such plant in the form of concessional transmission or wheeling charges and/or banking facility benefit are withdrawn by the concerned State Electricity Regulatory Commission and/or the State Government) |
| REGISTRATION OF CERTIFICATES | <ul style="list-style-type: none"> The eligible companies may apply for registration with the central agency The central agency shall accord registration within 15 days from date of application (provided that an applicant shall be given reasonable opportunity of being heard before his application is rejected) A person aggrieved by the order may appeal before the commission within 15 days from date of such order. |
| REVOCATION OF REGISTRATION | <ul style="list-style-type: none"> Where the eligible entity makes willful and persistent default in complying with these regulations Eligible entity breaks any terms and conditions in its accreditation or registration The eligible entity fails within the period required in this behalf by the Central Agency (ii) to show, to the satisfaction of the Central Agency, that it is in a position fully and efficiently to discharge the duties and obligations imposed on it by its accreditation or registration; or (iii) to make the deposit or furnish the security, or pay the fees or other charges required by its accreditation or registration. Central Agency before revoking the registration shall give to the eligible entity reasonable opportunity for being heard. A person aggrieved by the order may appeal before the commission within 15 days from date of such order. |
| RENOMINATION AND ISSUANCE OF CERTIFICATES | <ul style="list-style-type: none"> The eligible entity, other than distribution licensee shall apply to the Central Agency for certificates within six months from the corresponding generation. The application for issuance of certificates may be made on 10th, 20th and last day of the month. The eligible distribution licensee shall apply to the Central Agency for Certificates within three months from the date of obtaining the certification Certificates shall be issued by the Central Agency within fifteen days from the date of application Certificates shall be issued to the eligible entity on the basis of the units of electricity generated from renewable energy sources and injected into the Grid or deemed to be injected in case of self-consumption by eligible captive generating plant and duly accounted in the Energy Accounting System Each Certificate issued shall represent one Megawatt hour of electricity generated from renewable energy sources and injected or deemed to be injected (in case of self-consumption by eligible captive generating plant) into the grid Commission shall determine through a separate order, the quantum of Certificate to be issued to the eligible entities being the solar generating companies registered under REC framework prior to 14th January 2015, for one Megawatt hour of electricity generated and injected into the grid or deemed to be injected (in case of self-consumption by eligible CCP) into the grid as per formula: $\text{Units} = \text{Capacity} \times \text{Factor Price of Base Year (2012-13)} / \text{Current Year Factor Price}$ Formula applicable for the existing and future solar REC from 1st January 2015 to 31st March 2017 after which project will be eligible for one REC for one megawatt hour of electricity generated. |
| DEALING IN THE CERTIFICATES | <ul style="list-style-type: none"> Unless otherwise specifically permitted by the Commission by order, the certificate shall be dealt only through the power exchange and not in any other manner Certificate issued to eligible entity by the Central Agency may be placed for dealing in any of the Power Exchanges as the Certificate holder may consider appropriate An eligible renewable energy generator including an eligible captive generating plant shall be permitted to retain the certificates for offsetting its renewable purchase obligation as a consumer subject to certification and verification by the concerned State Agency |
| PRICING OF CERTIFICATE | The price of Certificate shall be as disclosed in the Power Exchange, provided that the Commission may, in consultation with the Central Agency and Forum of Regulators from time to time provide for the floor price and forbearance price separately for solar and non-solar Certificates |
| VALIDITY AND EXTINCTION OF CERTIFICATES | <ul style="list-style-type: none"> The Certificate issued under these Regulations shall remain valid for one thousand and ninety five days from the date of issuance. REC expired in financial year 2014-15 till 30-12-2014 to remain valid for one thousand and ninety five days from the date of issuance up to 31st March, 2017 Subject to the 'true limit', a Certificate shall be deemed to have been extinguished after it has been exchanged by way of sale and purchase in the Power Exchange |
| COMPLIANCE AUDIT | The Commission may, in consultation with the Central Agency, appoint from time to time compliance auditors to inquire into and report on the compliance of these Regulations by the person applying for registration, or on the compliance by the renewable energy generators in regard to the eligibility of the Certificates and all matters connected thereto. |

Link

http://www.cercind.gov.in/Current_reg.html

References

<http://www.cercind.gov.in/2015/regulation/GZT49.pdf>
<http://www.cercind.gov.in/2015/regulation/GZT68.pdf>
http://www.cercind.gov.in/2013/regulation/REC%20Regulations8_7_2013.pdf
<http://www.cercind.gov.in/2014/regulation/ord16.pdf>
<http://www.cercind.gov.in/2015/regulation/GZT101.pdf>
<http://www.cercind.gov.in/2016/regulation/123.pdf>