

### THE ASSAM GAZETTE

## অসাধাৰণ EXTRAORDINARY প্ৰাপ্ত কৰ্তৃত্বৰ দ্বাৰা প্ৰকাশিত PUBLISHED BY THE AUTHORITY

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# GOVERNMENT OF ASSAM ORDERS BY THE GOVERNOR ASSAM ELECTRICITY REGULATORY COMMISSION

#### **NOTIFICATION**

The 4th April, 2022

# Assam Electricity Regulatory Commission (Renewable Purchase Obligation and its Compliance) Regulations, 2010, (Third Amendment), 2021

**No. AERC/578/2016/Pt I.-** Whereas it is expedient to amend the provisions of the Assam Electricity Regulatory Commission (Renewable Purchase Obligation and its Compliance) Regulations,2010 in exercise of powers conferred under sections 61, 66, 86(1)(e) and 181 of the Electricity Act, 2003 and all other powers enabling it in this behalf, and after previous publication, the Assam Electricity Regulatory Commission hereby makes the following regulations for the Renewable Purchase Obligation and its compliance:

#### 1. Short title and commencement

- 1.1 These regulations may be called the AERC (Renewable Purchase Obligation and its Compliance) Regulations, 2010, (Third Amendment), 2021.
- 1.2 These regulations shall come into force from the date of their publication in the Assam Gazette.
- 1.3 These Regulations shall apply throughout the State of Assam.

#### 2. Amendment of the Regulation 2.1 (I) of the Principal Regulation

a) Renewable Energy Sources" means and includes non-conventional renewable generation sources such as mini-hydel, Large Hydro (> 25 MW commissioned on or after 8th March 2019 including Pumped storage

projects), Wind, Solar, biomass, bio fuel cogeneration, urban or municipal waste, energy generated from Waste Heat Recovery System (WHRS) and such other sources as recognized or approved by MNRE/MOP.

#### 3. Amendment of the Regulation 4 of the Principal Regulation

Regulation 4.1 of the Principal Regulations, shall be substituted as under-

- a) Every Obligated Entity shall purchase the amount not less than percentage of its total Energy Handled from renewable energy sources under the Renewable Purchase Obligation as notified by Ministry of Power, Government of India from time to time. the notification dated 29<sup>th</sup> January, 2021 is enclosed as **Annexure I**.
- b) RPO shall be calculated in energy terms as a percentage of total consumption of electricity excluding consumption met from hydro sources (LHPs above 25MW).
- c) Solar RPO may be met by power produced from solar power plants solar photo voltaic, solar-thermal, or Solar power plants with storage capacities.
- d) Other Non-Solar RPO (excluding HPO), may be met from any renewable source other than solar and LHPs.
- e) HPO may be met from the power procured from eligible LHPs including pumped storage projects commissioned on and after 8.3.2019 and upto 31.03.2030 in respect of 70% of the total generated capacity for a period of 12 years from the date of commissioning. Free power is to be provided as per agreement with the State Government and that provided for Local Area Development Fund (LADF), shall not be included within this limit of 70% of the total generated capacity.

or HPO may be met from the Hydro energy certificates (HEC) for that particular year as and when issued under the CERC Regulations.

- f) HPO liability of the State/Discom could be met out of the free power being provided to the State from LHPs commissioned after 08.03.2019 as per agreement at that point of time excluding the contribution towards LADF if consumed within the State/Discom. Free power (not that contributed for Local Area Development) only to extent of HPO liability of the State/Discom, shall be eligible for HPO benefit.
- g) The above HPO Trajectory shall be trued up on an annual basis depending on the actual commissioning of Hydro projects.
- h) Hydro power imported from outside India shall not be considered for meeting HPO.

- i) On achievement of Solar RPO compliance to the extent of 85% and above, remaining shortfall, if any, can be met by excess non-solar energy consumed beyond specified Non-Solar RPO for that particular year.
- j) Similarly, on achievement of Other Non-Solar RPO compliance to the extent of 85% and above, remaining shortfall if any, can be met by excess solar or eligible hydro energy consumed beyond specified Solar RPO or HPO for that particular year. Further, on achievement of HPO compliance to the extent of 85% and above, remaining shortfall, if any, can be met by excess solar or other non-solar energy consumed beyond specified Solar RPO or Other Non-Solar RPO for that particular year.
- **4.** For CPPs commissioned before 1.04.2016, RPO shall be Solar: 1% and Non-Solar: 3%. For CPPs commissioned from 1.04.2016 onwards, the RPO level as mandated by the Commission for the year of commissioning of the CPP shall be applicable. In case of any augmentation in the capacity, the RPO for augmented capacity shall be the RPO applicable for the year in which the CPP has been augmented.
- 5. Provided further that such obligation to purchase renewable energy shall be inclusive of the purchases, if any, from renewable energy sources already being made by concerned obligated entity.

#### No. 23/03/2016-R&R Government of India Ministry of Power \*\*\*

Shram Shakti Bhawan, New Delhi, Dated, the 29<sup>th</sup> January, 2021

#### ORDER

#### Subject: Renewable Purchase Obligation (RPO) trajectory - regarding.

- 1. In exercise of the powers conferred under section 3(3) of Electricity Act, 2003, the Central Government had notified the revised Tariff Policy, which was published in Gazette of India, Extraordinary, Part-I, Section-1 dated 28.01.2016.
- 2. Para 6.4(1) of the Tariff Policy 2016 provides as follows:

"Pursuant to provisions of section 86(1)(e) of the Act, the Appropriate Commission shall fix a minimum percentage of the total consumption of electricity in the area of a distribution licensee for purchase of energy from renewable energy sources, taking into account availability of such resources and its impact on retail tariffs. Cost of purchase of renewable energy shall be taken into account while determining tariff by SERCs. Long term growth trajectory of Renewable Purchase Obligations (RPOs) will be prescribed by the Ministry of Power in consultation with MNRE.

Provided that cogeneration from sources other than renewable sources shall not be excluded from the applicability of RPOs."

- 3. In light of para 6.4(1) of the Tariff Policy 2016, and with the objective of creating renewable power capacity of 175 GW by March, 2022; the Ministry of Power, after consultation with Ministry of New and Renewable Energy, had notified the long term trajectory of Renewable Purchase Obligations (RPOs) for solar and non-solar power vide its orders dated 22<sup>nd</sup> July 2016 and 14<sup>th</sup> June 2018.
- 4. On 8<sup>th</sup> March 2019, the Government had issued an order detailing various policy measures to promote hydropower sector in India inter-alia declaring large hydropower projects including pumped storage projects having capacity of more than 25 MW (LHPs) which come into commercial operation after 8.3.2019 as renewable energy source and to specify Hydropower Purchase Obligation (HPO) within Non-Solar Renewable Purchase Obligation (RPO).
- 5. In compliance of the above decision and with the objective to add 30,000 MW of hydropower capacity by the year 2029-2030, Ministry of Power has prepared a revised trajectory of RPO including long term trajectory for HPO considering the LHPs commissioned after 8<sup>th</sup> March, 2019.
- 6. In super-session of orders dated 22<sup>nd</sup> July 2016 and 14<sup>th</sup> June 2018, the Ministry of Power hereby specifies the following RPO Trajectory-

Year	Solar RPO	Non-Solar RPO			Total RPO
		НРО	Other Non- Solar RPO	Total Non- Solar RPO	
2019-20	7.25%	-	10.25%	10.25%	17.50%
2020-21	8.75%	-	10.25%	10.25%	19%
2021-22	10.50%	0.18%	10.50%	10.68%	21.18%
2022-23		0.35%			
2023-24		0.66%			
2024-25	To be	1.08%	To be specified	To be specified	To be
2025-26	specified later	1.48%	later	later	specified later
2026-27		1.80%			
2027-28		2.15%			
2028-29		2.51%			
2029-30		2.82%			

- 7. RPO shall be calculated in energy terms as a percentage of total consumption of electricity excluding consumption met from hydro sources (LHPs).
- 8. Solar RPO may be met by power produced from solar power plants solar photo voltaic or solar-thermal.
- 9. Other Non-Solar RPO (excluding HPO), may be met from any renewable source other than solar and LHPs.
- 10. HPO benefits may be met from the power procured from eligible LHPs commissioned on and after 8.3.2019 and upto 31.03.2030 in respect of 70% of the total generated capacity for a period of 12 years from the date of commissioning. Free power is to be provided as per agreement with the State Government and that provided for Local Area Development Fund(LADF), shall not be included within this limit of 70% of the total generated capacity.
- 11. HPO liability of the State/ Discom could be met out of the free power being provided to the State from LHPs commissioned after 08.03.2019 as per agreement at that point of time excluding the contribution towards LADF if consumed within the State/Discom. Free power (not that contributed for Local Area Development) only to extent of HPO liability of the State/Discom, shall be eligible for HPO benefit.
- 12. In case the free power, as above, is insufficient to meet the HPO obligations, then the State would have to buy the additional hydro power to meet its HPO obligations or may

have to buy the corresponding amount of Hydro Energy Certificate to meet the non-solar hydro renewable purchase obligations.

- 13. The Hydro Energy Certificate mechanism under Regulation to be developed by CERC to facilitate compliance of HPO Obligation, would have a capping price of Rs.5.50/Unit of electrical energy w.e.f 8<sup>th</sup> March 2019 to 31<sup>st</sup> March, 2021 and with annual escalation @5% thereafter for purposes of ensuring HPO compliance.
- 14. The above HPO Trajectory shall be trued up on an annual basis depending on the revised commissioning schedule of Hydro projects. The HPO Trajectory for the period between 2030-31 and 2039-40 shall be notified subsequently.
- 15. Hydro power imported from outside India shall not be considered for meeting HPO.
- 16. On achievement of Solar RPO compliance to the extent of 85% and above, remaining shortfall, if any, can be met by excess non-solar energy consumed beyond specified Non-Solar RPO for that particular year. Similarly, on achievement of Other Non-Solar RPO compliance to the extent of 85% and above, remaining shortfall if any, can be met by excess solar or eligible hydro energy consumed beyond specified Solar RPO or HPO for that particular year. Further, on achievement of HPO compliance to the extent of 85% and above, remaining shortfall, if any, can be met by excess solar or other non–solar energy consumed beyond specified Solar RPO or Other Non-Solar RPO for that particular year.
- POSOCO will maintain data related to compliance of RPOs.
- 18. Further the SERCs may consider to notify RPO trajectory including HPO for their respective States in line with aforesaid RPO trajectory. Moreover CERC may consider to devise suitable mechanism similar to Renewable Energy Certificate (REC) mechanism to facilitate fulfillment of HPO.
- 19. This issues with the approval of Minister of State (I/C) for Power.

(Ghanshyam Prasad) Joint Secretary to the Government of India Tele No. 23710389

M. K. DEKA,

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