

Bihar Electricity Regulatory Commission

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Consultative paper on the proposal for 4th amendment in the BERC (Renewable Purchase Obligation, its Compliance and REC Framework Implementation) Regulations, 2010

In compliance with the provisions under section 61, 66, 86(1(e) and 181, of the Electricity Act, 2003 the Commission has notified BERC (Renewable Purchase Obligation, its compliance and REC Framework Implementation) Regulations, 2010 vide notification no. 05, dated 16.11.2010 which was published in Bihar Gazette vide No. 753 dated 18.11.2010.

Subsequently, in view of amendment in Tariff Policy vide Ministry of Power resolution dt.- 20.01.2011, the commission has notified first amendment to the principal Regulations on dated 07.09.2012 to prescribe solar-specific RPO.

Subsequently, the Ministry of power, Government of India has notified the Revised Tariff Policy resolution vide gazette notification dated 28.01.2016 wherein clause 6.4(1) of the tariff policy provides as follows:

"Within the percentage so made applicable, to start with, the SERCs shall also reserve a minimum percentage for purchase of solar energy from the date of notification of the policy which shall be such that it reaches 8% of total consumption of energy excluding hydro power, by March 2022 or as notified by the Central Government from time to time".

Accordingly, Commission notified Second amendment to the principal Regulations in the form of the BERC (Renewable Purchase Obligation its compliance and REC Framework Implementation)(2nd Amendment) Regulations, 2017 dated 30.03.2017.

Further, Ministry of Power, Govt. of India, vide its letter dated 14.06.2018 communicated the long term growth trajectory of Renewable

Purchase Obligations (RPOs) for Solar and Non-Solar for a period of three years i.e. 2019-20 to 2021-22.

In view of MoP letter dated 14.06.2018, the Commission initiated Suomotu proceeding for 3rd amendment to Bihar Electricity Regulatory Commission (Renewable Purchase Obligation, its compliance and REC Framework Implementation) Regulations, 2010. After examining the views of the SBPDCL, NBPDCL and the nodal agency BREDA about the long trajectory of Renewable Purchase Obligations (RPOs) for Solar and growth Non-Solar for a period of three years i.e. 2019-20 to 2021-22, the Commission to retain original RPO trajectory up to FY 2021-22 as specified in decided BERC (Renewable Purchase Obligation its compliance and REC Framework Implementation) (2nd Amendment) Regulations, 2017.

Subsequent to this, the Commission received a letter bearing no. 7/10/2017-EFM, dated 04.06.2019 from the Ministry of New and Renewable Energy (MNRE) wherein, the MNRE pointed out that

"SERCs were requested to notify RPO for their respective States up to the year 2021-22 in line with the Ministry of Power order no. 23/03/2016-R&R dated 14.06.2018. However, it has been observed that your State has notified RPO trajectory that is not aligned with that notified by the Ministry of Power. Aligning RPO trajectory will send right signals to the state government and the obligated entities for accelerating renewable energy deployment."

Further, Ministry of Power, Govt. of India, through its order no. 09/13/2021-RCM dated 22.07.2022 has specified separate Wind RPO, HPO and other RPO within the overall RPO target for the FY 2022-23 to FY 2029-30.

In view of above, the Commission has decided to adopt the RPO target as specified by the Ministry of Power through its order no. 09/13/2021-RCM dated 22.07.2022 for the FY 2022-23 to FY 2029-30, including introduction of a separate hydro purchase obligation (HPO) as recommended previously by the ministry through MoP Notification F No. 15/2/2016-H-I(Pt.) dated 08.03.2019.

In line with the directions from MoP, the Commission proposes to specify separate Wind RPO, HPO and other RPO within the overall RPO target.

Provided that Wind RPO shall be met through energy produced from wind power projects commissioned after 31st March 2022; HPO shall be met only by energy produced from Large Hydro Projects (including pump storage plants) commissioned after 8th March 2019; other RPO target may be met by energy produced from any RE power project not qualifying for meeting Wind RPO and HPO. Further, as the directives of the MoP, the Commission proposes to specify separate Energy Storage Obligation for the energy consumed from solar/wind along with /through storage. The Energy Storage obligation to the extent of energy stored from RE sources shall be considered as part of fulfilment of the total RPO.

Recently, the Ministry of Power notified the Electricity (Promoting Renewable Energy Through Green Energy Open Access) Rules, 2022 on 06.06.2022, wherein the obligated entity, may elect to generate, purchase and consume renewable energy to meet their Renewable Purchase obligation. The appropriate provisions related to RPO as specified in the Green Energy Open Access Rules 2022 has been proposed to be incorporated in the 4th amendment to RPO Regulations also.

In view of above developments, the Commission initiates the Suo-motu proceeding for 4th amendment in Bihar Electricity Regulatory Commission (Renewable Purchase Obligation, its compliance and REC Framework Implementation) Regulations, 2010. The Draft Bihar Electricity Regulatory Commission (Renewable Purchase Obligation, its compliance and REC Framework Implementation) (4th Amendment) Regulations, 2022, is uploaded on the Commission's website www.berc.co.in.

Comments/ Suggestions/ Objections from general public and all stakeholders are invited on or before **12.09. 2022** addressed to The Secretary, Bihar Electricity Regulatory Commission, Vidyut Bhawan-II, Jawahar Lal Nehru Marg, Patna-800021. Commission shall conduct hearing on **27.09.2022** at 11.30 AM in the Court Room of the Commission office.

Sd/-

Secretary



Bihar Electricity Regulatory Commission

Draft

Bihar Electricity Regulatory Commission (Renewable Purchase Obligation, its compliance and REC Framework Implementation) (4th Amendment) Regulations, 2022

Notification

No. Case No. _____: — In exercise of powers conferred under section 61, 66, 86(1) (e) read with Section 181 (2) (zd) of the Electricity Act, 2003 and all other powers enabling the Commission in this behalf, the Bihar Electricity Regulatory Commission hereby amends the Bihar Electricity Regulatory Commission (Renewable Purchase Obligation, its compliance and REC Framework Implementation) Regulations, 2010 which was originally issued vide no. BERC-Regl-01/10-05 dated 16th November, 2010.

1. Short title, extent and commencement-

- 1.1. These Regulations may be called the "Bihar Electricity Regulatory Commission (Renewable Purchase Obligation, its compliance and REC Framework Implementation)(4th Amendment) Regulation 2022".
- 1.2. These Regulations extend to the whole of the State of Bihar.
- 1.3. These Regulations shall come into force on the date of their publication in the official Gazette.

2. Amendment in Regulation 2 (Definition):

2.1. Following words shall be added at the end of Regulation 2.1(e):

"and the subsequent amendments thereof;"

2.2. Insertion of a new Regulation 2.1(ia):

After Regulation 2.1(i), new regulation '(ia)' shall be added hereunder: "2.1(ia) "Green energy" means the electrical energy from renewable sources of energy including hydro and storage (if the storage uses renewable energy) or any other technology as may be notified by the Government of India from time to time and shall also include any mechanism that utilizes green energy to replace fossil fuels including

2.3. Insertion of a new Regulation 2.1 (na):

production of green hydrogen or green ammonia"

After Regulation '2.1(n)', a new Regulation '2.1(na)' shall beaded hereunder:

- "2.1 (na)" Prosumer' means a person who consumes electricity from the grid and can also inject electricity into the grid for distribution licensee, using same point of supply;"
- 3. Amendment in Regulation 4 (Renewable Purchase Obligation):
- 3.1. Substitution of Regulation 4.1:

Regulation 4.1 shall be substituted by the following:

"4.1. "Every Obligated Entity shall at-least purchase source wise energy from Renewable Sources as specified below:-

Minimum quantum of electricity to be procured from Renewable Sources by Obligated Entity as percentage of total consumption

Financial Year	Wind RPO	Hydro Power Obligation (HPO)	Other RPO	Total RPO
2022-23	0.81%	0.35%	23.44%	24.61%
2023-24	1.60%	0.66%	24.81%	27.08%
2024-25	2.46%	1.08%	26.37%	29.91%
2025-26	3.36%	1.48%	28.17%	33.01%
2026-27	4.29%	1.80%	29.86%	35.95%
2027-28	5.23%	2.15%	31.43%	38.81%
2028-29	6.16%	2.51%	32.69%	41.36%
2029-30	6.94%	2.82%	33.57%	43.33%

The Obligation will be on total consumption of electricity by an obligated entity, (a) Wind RPO Shall be met only by energy produced from Wind Power Projects (WPPs) commissioned after 31 March 2022

- (b) HPO shall be met only by energy produced from LHPs (including PSPs), commissioned after 8th March 2019.
- (c) Other RPO may be met by energy produced from any RE based / green energy based power project not mentioned in (a) and (b) above.

Provided that, HPO obligation of the state/DISCOM may be met out of the free power being provided to the state of Bihar from Large Hydro Plants(LHPs) (including Pump Storage Plants (PSPs)), commissioned after 8th March, 2019 as per agreement at that point of time excluding the contribution towards Local Area Development Fund (LADF), if consumed within the state/DISCOM. Free power (not that contributed for Local Area Development) shall be eligible for HPO benefit.

In case, the free power mentioned above is insufficient to meet the HPO obligations, then the obligated entity would have to buy the additional hydro power to meet its HPO obligation or may have to buy corresponding amount of Renewable Energy Certificate corresponding to Hydro Power.

Provided that Hydro power imported from outside India shall not be considered for meeting HPO"