

DELHI ELECTRICITY REGULATORY COMMISSION

NOTIFICATION

Delhi, 07.06.2024

DRAFT DELHI ELECTRICITY REGULATORY COMMISSION (RENEWABLE PURCHASE OBLIGATION AND RENEWABLE ENERGY CERTIFICATE FRAMEWORK IMPLEMENTATION) REGULATIONS, 2024

F. 17(332)/DERC/Engg./2024-25/8107 – In exercise of powers conferred under Section 181 read with Sections 61(h), 66 and 86(1)(e) of the Electricity Act, 2003, the Delhi Electricity Regulatory Commission after previous publication hereby makes the following Regulations for the Renewable Purchase Obligation (RPO) and Renewable Energy Certificate (REC) Framework Implementation in the National Capital Territory of Delhi.

PART 1

PRELIMINARY

1. SHORT TITLE, COMMENCEMENT AND EXTENT

- i These Regulations shall be called the Draft Delhi Electricity Regulatory Commission (Renewable Purchase Obligation and Renewable Energy Certificate Framework Implementation) Regulations, 2024.
- ii These Regulations shall come into force from date of Notification.
- iii These Regulations shall extend to whole of National Capital Territory of Delhi.
- iv These Regulations shall apply to the following Obligated Entities in the National Capital Territory of Delhi:
 - a) Distribution Licensees;
 - b) Any Captive user, subject to the conditions in Regulation 4
 - c) Any Open Access Consumer, subject to the condition in Regulation 4.

2. DEFINITIONS

In these Regulations, unless the context otherwise requires,

- i “Accredited Entities” means entities engaged in generation of electricity from Renewable Energy Sources registered under Central Electricity Regulatory Commission (Terms and Conditions for Renewable Energy Certificates for Renewable Energy Generation) Regulations, 2022, as amended from time to time, for issuance of Renewable Energy Certificates;
- ii “Act” means the Electricity Act, 2003 (Act No. 36 of 2003) and subsequent amendment(s) thereof;
- iii “Area of Supply” means the area(s) within which the Distribution Licensee is authorized to supply electricity;
- iv “Captive Generating Plant” shall have the same meaning as defined in the Act read with the Electricity Rules 2005 as amended from time to time;
- v “Captive user” shall mean the end user of electricity generated in a Captive Generating Plant and the term captive use shall be construed accordingly;
- vi “Central Agency” means the agency, as the Central Commission may designate from time to time, under 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;
- vii “Central Commission” means the Central Electricity Regulatory Commission (CERC) referred to in sub-section (1) of Section 76 of the Act;
- viii “Certificate” means the Renewable Energy Certificate (REC) issued by the Central Agency in accordance with the procedures prescribed under the provisions specified in the Central Electricity

Regulatory Commission (Terms and Conditions for Renewable Energy Certificates for Renewable Energy Generation) Regulations, 2022 as amended from time to time;

- ix “Certificate Multiplier” means the multiplier as determined under the provisions specified in the Central Electricity Regulatory Commission (Terms and Conditions for Renewable Energy Certificates for Renewable Energy Generation) Regulations, 2022 as amended from time to time;
- x “Commission” means the Delhi Electricity Regulatory Commission (DERC) as referred in subsection (1) of Section 82 of the Act;
- xi “Consumption” means -
In case of Distribution Licensees percentage of Total Sale of Power to its Retail Consumers in its Area of Supply.
In case of Open Access consumers as the Total Energy recorded by the meter for the whole year.
- xii “Distribution Licensee” means a Licensee authorised to operate and maintain a Distribution system for supplying electricity to the consumers in his area of supply;
- xiii “Inter-connection point” shall mean the interface point of the Renewable Energy Project with the Transmission system or Distribution system as the case may be;
- xiv “MNRE” means the Ministry of New and Renewable Energy, Government of India;
- xv “Obligated Entity” means the Distribution Licensee, Captive user, Open Access Consumer or any other entity in the National Capital Territory of Delhi, which is mandated to fulfil Renewable Purchase Obligation as may be notified by the Commission from time to time subject to fulfilment of conditions in Regulation 4;
- xvi “Open Access Consumer” means a consumer permitted by the commission to receive supply of electricity from a person, other than Distribution Licensee of his area of supply, and the expression includes a generating company and a licensee, who has availed of or intends to avail of open access;
- xvii “Person” shall have the same meaning as defined under sub section (49) of Section 2 of the Act;
- xviii “Power Exchange” means exchange registered under the Central Electricity Regulatory Commission (Power Market) Regulations, 2021 or as amended from time to time;
- xix “Renewable Energy Sources” means Renewable Sources/Green energy such as large hydro as specified under Regulation 4(2)(a), small hydro, wind, solar including its integration with combined cycle, biomass, bio fuel cogeneration, urban or municipal waste and/or such other source(s) recognized by Ministry of New and Renewable Energy (MNRE) or any other agency as notified by Government of India or the Commission;
- xx “Renewable Purchase Obligation (RPO)” means the requirement as specified under these Regulations as per Section 86(1)(e) of the Act for the Obligated Entity to purchase electricity from Renewable Energy Sources;
- xxi “Distributed RPO” means Renewable Purchase Obligation that shall be met from the energy generated from Renewable Energy projects that are less than 10 MW in size and shall include installations under all configurations (Net Metering, Group Net Metering, Virtual Net Metering, Behind the Meter Installations and any other configuration defined by the Commission);”
- xxii “HPO” means Hydro Purchase Obligation
- xxiii “Wind RPO” means Renewable Purchase Obligation that shall be met by energy produced from Wind Power Projects (WPPs) commissioned after 31st March 2022;”
- xxiv “Other RPO” means Renewable Purchase Obligation that may be met by energy produced from any Renewable Energy project not covered under Regulation 2(23), 2(24) and 2(25);”
- xxv “State Nodal Agency” means the Energy Efficiency & Renewable Energy Management Centre (EERM&C) or the agency so designated by the Commission under Regulation 6 of these Regulations to act as the agency to undertake the functions as specified in these Regulations in the National Capital Territory of Delhi;

- xxvi “State” means the National Capital Territory of Delhi.
- xxvii “Tariff” means the tariff fixed by the Commission as per relevant Regulations for generation from various Renewable Energy Sources under Section 62 or adopted under Section 63 of the Act;
- xxviii “Year” means a financial year i.e. from 1st April to 31st March.

3. INTERPRETATIONS

- i These Regulations shall be interpreted and implemented in a manner not inconsistent with the provisions of the Act, Rules and Regulations made thereunder.
- ii Unless the context otherwise requires, the words or expressions used in these Regulations and not defined herein but defined in the Act or the Regulations issued by the Commission, shall have the same meaning assigned to them respectively in the Act or such Regulations issued by the Commission.

PART 2

GENERAL

4. OBLIGATED ENTITY

4.1 Provided the percentage specified in regulation 5 shall be applicable to all Obligated Entities covering Distribution Licensees, Open Access Consumers and captive users within National Capital Territory of Delhi, subject to the following conditions

- (i) Any person who owns a grid-connected Captive Generating Plant based on conventional fossil fuel with installed capacity of 1 MW and above, or such other capacity as may be stipulated by the Commission from time to time, and consumes electricity generated from such Plant for his own use shall be subject to RPO to the extent of a percentage of his consumption met through such fossil fuel-based captive source
- (ii) Any person having a Contract Demand of not less than 1 MW and who consumes electricity procured from conventional fossil fuel-based generation through Open Access shall be subject to RPO to the extent of a percentage of his consumption met through such fossil fuel-based Open Access source:

Provided that the Commission may, by order, modify/revise the minimum capacity referred to in sub-clauses (i) and (ii) above from time to time.

Green Energy Open Access Consumer under Delhi Electricity Regulatory Commission (Terms and Conditions for Green Energy Open Access) Regulations, 2024 as amended from time to time.

5. RENEWABLE PURCHASE OBLIGATION (RPO)

- 1) On and from the date of commencement of these regulation, there shall be an uniform renewable purchase obligation, on all obligated entities in area of a distribution licensee.
- 2) Any entity, whether obligated or not may elect to generate, purchase and consume renewable energy/green energy as per their requirements by one or more of the following methods: -
- a) Own Generation from renewable energy sources. –There shall not be any capacity limit for installation of power plants from renewable energy sources, by entities for their own consumption and such plants may be set up at any location in India and power shall be transmitted by using open access: Provided that the generating plant may be set up by the entity itself or by a developer with which the entity enters into a power purchase agreement.
- b) By procuring Renewable Energy through Open Access from any Developer either directly or through a trading licensee or through power markets.

Explanation:

- i Developer means the generating company who generate electrical energy from renewable sources of energy.
- ii Trading Licensee means a person who has been granted a licensee by appropriate commission, for purchase of electricity for resale thereof.

- c) By requisition from distribution licensee. –
- i. Any consumer may elect to purchase green energy either up to a certain percentage of the consumption or its entire consumption and they may place a requisition for this with their distribution licensee, which shall procure such quantity of green energy and supply it and the consumer shall have the flexibility to give separate requisition for solar and non-solar;
 - ii. The consumer may purchase on a voluntary basis, more renewable energy, than he is obligated to do and for ease of implementation, this may be in steps of Twenty-five per cent and going up to Hundred per cent;
 - iii. The tariff for the green energy shall be determined separately by the Commission.
 - iv. Any requisition for green energy from a distribution licensee shall be for a minimum period of one year;
 - v. The quantum of green energy shall be pre-specified for at least one year;
 - vi. The green energy purchased from distribution licensee or from Renewable Energy sources other than distribution licensee in excess of Renewable Purchase Obligation of obligated entity shall be counted towards Renewable Purchase Obligation compliance of the distribution licensee;
 - vii. The Accounting of renewable energy supplied at distribution licensee level shall be on a monthly basis;
- d) By consuming green energy from captive power plant.
- e) By purchasing of renewable energy certificates in accordance with the applicable regulations.
- f) Purchase of green hydrogen or green ammonia; —the obligated entity can also meet their Renewable Purchase Obligation by purchasing green hydrogen or green ammonia and the quantum of such green hydrogen or green ammonia would be computed by considering the equivalence to the green hydrogen or green ammonia produced from one MWh of electricity from the renewable sources or its multiples and norms in this regard shall be notified by the Central Commission.
- g) Any other sources, as may be, determined by the Central Government.
- 3) Every Obligated Entity shall purchase electricity from Renewable Energy Sources for fulfilment of a defined minimum percentage of the total consumption during the year, under the Renewable Purchase Obligation, as specified below –

Table 1: RPO Targets for Obligated Entities

Sr. No.	RPO Targets				
	Year	Wind RPO	Other RPO	HPO Target (only for Distribution Licensee)	Total RPO Target
1	2024-25	2.46%	26.37%	1.08%	29.91%
2	2025-26	3.36%	28.17%	1.48%	33.01%

- 4) Wind RPO shall be met by energy produced from Wind Power Projects (WPPs) commissioned after 31st March 2022 and the wind energy consumed over and above 7% from WPPs commissioned till 31st March 2022.
- 5) HPO shall be met by Energy produced from Hydro Power Projects [including Large Hydro Projects (LHPs), Pumped Storage Projects, Small Hydro Projects(SHPs), Mini Hydro, Micro Hydro Power] commissioned after 8th March 2019.
- 6) Other RPO shall be met by Energy produced from any Renewable Energy Power Project not mentioned in 5(4) & 5(5) above and shall include Hydro Power Projects [including Large Hydro Projects (LHPs), Pumped Storage Projects & Small Hydro Projects (SHPs)] commissioned before 8th March 2019.
- 7) Any shortfall remaining in achievement of 'Other RPO' category in a particular year shall be met with either the excess energy consumed from WPPs, commissioned after 31st March 2022 beyond 'Wind RPO' for that year or with excess energy consumed from eligible LHPs [including Large Hydro Projects

(LHPs), Pumped Storage Projects & Small Hydro Projects (SHPs)], commissioned after 8th March 2019 beyond 'HPO' for that year or partly from both. Further, any shortfall in achievement of 'Wind RPO' in a particular year shall be met with excess energy consumed from Hydro Power Plants, which is in excess of 'HPO' for that year and vice versa.

- 8) Renewable Energy Certificates shall be considered as per Central Electricity Regulatory Commission (Terms and Conditions for Renewable Energy Certificates for Renewable Energy Generation) Regulations, 2022 as amended from time to time, for computation of further shortfall in RPO, if any.

Provided also that the Obligated Entities may purchase RECs 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.

- 9) Hydro power imported from outside India shall not be considered for meeting HPO and the HPO Trajectory shall be trued up on an Annual Basis depending on the Revised Commissioning schedule of Hydro projects. Further to facilitate compliance of HPO, Hydro Energy Certificate mechanism, as available, may be utilized by Obligated Entity.

6. RPO Targets for Obligated Entities (FY 2026 -27 onwards)

Table 2: RPO Targets for Obligated Entities (FY 2026 -27 onwards)

Sr. No	Year	Wind RPO	HPO	Distributed RPO	Other RPO	Total RPO
1	2026-27	1.97%	1.34%	2.70%	29.94%	35.95%
2	2027-28	2.45%	1.42%	3.30%	31.64%	38.81%
3	2028-29	2.95%	1.42%	3.90%	33.10%	41.36%
4	2029-30	3.48%	1.33%	4.50%	34.02%	43.33%

Provided further that the targets specified for Obligated Entities for FY 2029-30 shall be continued beyond FY 2029-30 unless specified by the Commission separately.

NOTE:

- a) The wind renewable energy component shall be met by energy produced from Wind Power Projects (WPPs) commissioned after the 31st March, 2024.
- b) The hydro renewable energy component shall be met only by energy produced from Hydro Power Projects [including Pump Storage Projects (PSPs) and Small Hydro Projects (SHPs)], commissioned after the 31st March, 2024:

Provided that the hydro renewable energy component may also be met out of the free power being provided to the State/DISCOM from the Hydro Power Projects commissioned after the 31st March, 2024:

Provided further that the hydro renewable energy component may also be met from Hydro Power Projects located outside India as approved by the Central Government on a case-to-case basis.

- c) The Distributed Renewable Energy component shall be met only from the energy generated from renewable energy projects that are less than 10 MW in size and shall include solar installations under all configurations (Net Metering, Gross Metering, Virtual Net Metering, Group Net Metering, behind the meter installations and any other configuration) notified by the Central Government:

Provided that the compliance against Distributed Renewable Energy shall ordinarily be considered in terms of energy (Kilowatt hour units):

Provided further that in case the designated consumer is unable to provide generation data against Distributed Renewable Energy installations, the reported capacity shall be transformed into Distributed

Renewable Energy generation in terms of energy by a multiplier of 3.5 units per kilowatt per day (kWh/kW/day).

The other Renewable Energy component shall be met by energy produced from any Renewable Energy power project other than specified in Note 1, 2 and 3 and shall comprise energy from all WPPs and Hydro Power Projects [including Pump Storage Projects (PSPs) and Small Hydro Projects (SHPs)], including free power, commissioned before the 1st April, 2024.

- d) Any shortfall in achievement of stipulated wind renewable energy consumption in a particular year may be met with hydro renewable energy which is in excess of that energy component for that year and vice versa.
- e) The balance excess energy consumption under wind renewable energy or hydro renewable energy component in that year, may be considered as part of other renewable energy component.
- f) Any excess energy consumption under Other renewable energy component in a particular year, may be utilised to meet the shortfall in achievement of stipulated Wind renewable energy or Hydro renewable energy consumption.
- g) The designated consumers who are open access consumers or consumers with Captive Power Plants shall fulfil their obligation as per the specified total renewable energy target irrespective of the non-fossil fuel source.
- h) The specified renewable energy consumption targets shall be met either directly or through Certificate in accordance with the Central Electricity Regulatory Commission (Terms and Conditions for Renewable Energy Certificates for Renewable Energy Generation) Regulations, 2022, published in the Gazette of India, Extraordinary, Part III, Section 4, dated the 24th May, 2022.

Provided also that the Obligated Entities may purchase RECs 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.

7. OTHER CONDITIONS FOR COMPLIANCE

- i) The power purchase from generating station(s) based on Renewable Energy Sources registered for issuance of REC under Central Electricity Regulatory Commission (Terms and Conditions for Renewable Energy Certificates for Renewable Energy Generation) Regulations, 2022 as amended from time to time, shall not qualify for RPO of the Obligated Entities:

Provided that for power purchase from RE generator, the Obligated Entities will submit an under-taking to State Nodal Agency that renewable component of this power has not been claimed by the RE generators for issuance of REC under Central Electricity Regulatory Commission (Terms and Conditions for Renewable Energy Certificates for Renewable Energy Generation) Regulations, 2022 as amended from time to time.

- ii) 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 Energy Policy, 2023 as amended from time to time, shall qualify towards compliance of Renewable Purchase Obligation for the Distribution Licensee of the area.
- iii) 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.
- iv) 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.
- v) 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.
- vi) Green Certificate–The distribution licensee shall give green certificate on yearly basis to the consumers for the green energy supplied by the licensee to consumer on his request beyond the renewable purchase obligation of the consumers.
- vii) The Distribution Licensee shall categories consumers on different rating, based on the percent of green energy purchased by such consumers.

The system employs a green five-star rating scale, correlating with the proportion of renewable energy in a consumer's energy mix.

- a. 1 Green Star: Represents energy consumption comprising up to 25% renewable sources.
- b. 2 Green Stars: Represents energy consumption comprising 26% to 50% renewable sources.
- c. 3 Green Stars: Represents energy consumption comprising 51% to 75% renewable sources.
- d. 4 Green Stars: Represents energy consumption comprising 76% to 95% renewable sources.
- e. 5 Green Stars: Represents energy consumption comprising 96% to 100% renewable sources.

*Energy Consumption shall be rounded off to lower integer.

The Green Energy Star Rating shall be prominently displayed by distribution licensee on consumer bills, online platforms, and energy monitoring interfaces. This rating shall be revised every year by distribution licensee.

8. STATE NODAL AGENCY

- i The State Nodal Agency (SNA) shall discharge the following functions, namely:
 - (a) 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 Renewable Energy Certificates for Renewable Energy Generation) Regulations, 2022 as amended from time to time;
 - (b) 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;
 - (c) 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;
 - (d) submit quarterly progress report in respect of compliance of renewable purchase obligation by the Obligated Entities by 25th day of the next month. State Nodal Agency shall develop formats and get approved by the Commission within one month of issuance of these Regulations.
 - (e) Certification of Purchase of Electricity from Renewable Energy Sources in excess of RPO for all eligible entities and Computation of Quantum of RPO Compliance & Excess Renewable Purchase for obligated entities.
 - (f) discharge any other function as may be assigned by the Commission from time to time
- ii The State Nodal Agency shall function in accordance with the directions issued by the Commission from time to time.
- iii The Commission may specify qualifying criteria based on technical and financial capability of an agency to be designated as State Nodal Agency.
- iv 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.
- v 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.

9. OPEN ACCESS CONSUMER(S):

- i All Open Access Consumers receiving electricity from Renewable Energy Sources/ GEOA Consumer shall be exempted from the Wheeling, Transmission, Cross Subsidy Surcharge and Additional Surcharge to the extent of quantum of RPO compliance:

Provided that the generators using Renewable Energy Sources shall provide certificate to Obligated Entities that no REC/ RPO claim for this power has been made.

- ii Every Open Access Consumer shall submit necessary details to Distribution Licensee regarding total consumption of electricity and purchase of energy from Renewable Sources for fulfilment of RPO on yearly basis within 15 days from the date of notification of these Regulations:
- Provided that an existing Open Access Consumer as on 1st April of a Financial Year, shall submit the projections for the relevant financial year by 31st March of the preceding Financial Year.
- iii 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:
- Provided that the value of BG/FDR shall be weighted average price of Renewable Energy Certificates (REC) discovered at Power Exchange (IEX) for past three (3) months.
- Provided further that the value of Bank Guarantee or Fixed Deposit Receipt shall be intimated to the Open Access Consumer within 7 days of receipt of projections from the Open Access Consumer.
- iv 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:
- Provided that 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):
- Provided further that 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:
- v The Bank Guarantee or Fixed Deposit Receipt (FDR) shall be valid upto three months from the date of completion of relevant financial year.
- vi The Open Access Consumer 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.
- vii In case of part fulfilment or non-fulfilment 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:
- Provided that the Open Access Consumer shall submit the details of RPO compliance to State Nodal Agency which shall certify part fulfilment or non-fulfilment of RPO to enable the Distribution Licensee to encash Bank Guarantee or Fixed Deposit Receipt (FDR) for the amount equal to shortfall units towards compliance of RPO target:
- Provided further that in case the value of Bank Guarantee or Fixed Deposit Receipt (FDR) is more than the amount required to purchase REC by the Distribution Licensee for shortfall unit towards compliance of RPO target, the Distribution Licensee shall release the balance amount of Bank Guarantee or Fixed Deposit Receipt (FDR):
- Provided further that in case the value of Bank Guarantee or Fixed Deposit Receipt (FDR) is less than the amount required to purchase REC by the Distribution Licensee for shortfall unit towards compliance of RPO target, the Distribution Licensee shall include the balance amount in subsequent bill.
- viii In case of fulfilment 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:
- 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.
- ix The Distribution Licensee shall purchase RECs within 30 days of receipt of reconciled statements from Open Access Consumers from the amount realised on encashment of Bank Guarantee or Fixed

Deposit Receipt (FDR) and the balance amount, if any, realised through bill of Open Access Consumer.

10. CAPTIVE USER(S)

- i Every Captive User shall submit necessary details regarding total consumption of electricity from captive generating and purchase of energy from Renewable Sources for fulfilment of RPO on yearly basis within 15 days from the date of notification of these Regulations:

Provided that the applicant who declares the captive use during a financial year shall submit the projections within 15 days of the declaration of captive user.

Provided further that existing Captive User as on 1st April of a Financial Year, shall submit the projections for the relevant financial year by 31st March of the preceding Financial Year.

- ii 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:

Provided that the value of BG/FDR shall be weighted average price of Renewable Energy Certificates (REC) discovered at Power Exchange (IEX) for past three (3) months.

Provided further that the value of Bank Guarantee or Fixed Deposit Receipt shall be intimated to the Captive User within 7 days of receipt of projections from the Captive User.

- iii 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: Provided that the Captive User on the date of applicability of these Regulations or who declares the captive use during a Financial Year, 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):

- iv The Bank Guarantee or Fixed Deposit Receipt (FDR) shall be valid upto three months from the date of completion of relevant financial year.

- v 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.

- vi In case of part fulfilment or non-fulfilment 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:

Provided that the Captive Consumer shall submit the details of RPO compliance to State Nodal Agency which shall certify part fulfilment or non-fulfilment of RPO to enable the Distribution Licensee to encash Bank Guarantee or Fixed Deposit Receipt (FDR) for the amount equal to shortfall units towards compliance of RPO target:

Provided further that in case the value of Bank Guarantee or Fixed Deposit Receipt (FDR) is more than the amount required to purchase REC by the Distribution Licensee for shortfall unit towards compliance of RPO target, the Distribution Licensee shall release the balance amount of Bank Guarantee or Fixed Deposit Receipt (FDR):

Provided further that in case the value of Bank Guarantee or Fixed Deposit Receipt (FDR) is less than the amount required to purchase REC by the Distribution Licensee for shortfall unit towards compliance of RPO target, the Distribution Licensee shall include the balance amount in subsequent bill.

- vii In case of fulfilment 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:

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.

- viii 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.

11. DISTRIBUTION LICENSEE(S)

- i 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:

Provided that for shortfall of units to meet RPO target, after physical procurement of power, the Distribution Licensees may be allowed REC cost which shall be considered as per Central Electricity Regulatory Commission (Terms and Conditions for Renewable Energy Certificates for Renewable Energy Generation) Regulations, 2022 as amended from time to time and shall be Trued-up.

- ii Distribution Licensees shall submit necessary details regarding total sales of electricity to the consumers in its area and purchase of REC for fulfilment of RPO on annual basis within three months from the date of completion of relevant financial year to the State Nodal Agency and the Commission.

- iii 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 fulfilment 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.

12. RENEWABLE ENERGY PRICING

- i 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.
- ii 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.
- iii 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.

13. PENALTY FOR NON COMPLIANCE OF RPO

Any shortfall in meeting the minimum percentage of RE shall attract penalty for each year as specified in Regulation 5;

Provided that Distribution Licensee shall be subjected to reduction in Annual Revenue Requirement at a rate of Rs 0.10 per kWh for cumulative shortfall in total RE procurement target for each year;

Provided further that other Obligated Entities shall be subjected to penalty of Rs. 0.10 per kWh for cumulative shortfall in total RE procurement target for each year;

Provided further that any shortfall in RE procurement shall be adjusted by imposing reduction in ARR for Distribution Licensees and imposing penalty for other Obligated Entities.

Provided further that if Obligated Entity is able to demonstrate that even after taking all possible measures including procurement of RECs, it is not able to meet RPO then the Commission may on Petition by the entity reduce the penalty amount subject to conditions as may be stipulated in that Order.

Provided further that the amount of penalty to be levied on obligated Open Access consumers shall be computed for relevant year by SNA and communicated to Distribution Licensee with a copy to Commission. The Distribution Licensee shall bill such penal amount in the electricity bill of Open Access consumers.

Provided further that the penalty to be levied on remaining obligated entities will be computed for relevant year by SNA and the mechanism for its recovery will be dealt by the Commission on case to case basis.

Provided further that Penalties for Distribution Licensees shall be determined by SNA and informed to the Commission for adjustment in ARR determination process.

PART 3

MISCELLANEOUS

14. Power to Relax: The Commission may, in public interest and for reasons to be recorded in writing, may relax any of the provisions of these Regulations on its own motion or on an application made before it by a person.
15. Power to Amend: The Commission may from time to time add, vary, alter, suspend, modify, amend or repeal any provision of these Regulations.
16. Power to Remove Difficulties:
- i In case of any difficulty in giving effect to any of the provisions of these Regulations, the Commission may by any general or special order, issue appropriate directions to any Obligated Entity or generating company, to take suitable action, not inconsistent with the provisions of the Act, which appears to be necessary or expedient for the purpose of removing the difficulty.
 - ii Any Accredited and Obligated Entity may make an application to the Commission and seek suitable Orders to remove any difficulties that may arise in implementation of these Regulations.
17. **Repeal and Savings:**
- i Save as otherwise provided in these Regulations, the Delhi Electricity Regulatory Commission (Renewable Purchase Obligation and Renewable Energy Certificate Framework Implementation) Regulations, 2021 shall stand repealed from the date of commencement of these Regulations.
 - ii Notwithstanding such repeal, anything done or purported to have been done under the repealed Regulations shall be deemed to have been done or purported to have been done under these Regulations.
 - iii Nothing in these Regulations shall be deemed to limit or otherwise affect the inherent power of the Commission to make such orders as may be necessary to meet the ends of justice or to prevent abuses of the process of the Commission.
 - iv Nothing in these Regulations shall bar the Commission from adopting in conformity with the provisions of the Electricity Act 2003 (36 of 2003) a procedure, which is at variance with any of the provisions of these Regulations, if the Commission, in view of the special circumstances of a matter or class of matters and for reasons to be recorded in writing, deems it necessary or expedient for dealing with such a matter or class of matters.
 - v Nothing in these Regulations shall, expressly or impliedly, bar the Commission in dealing with any matter or exercising any power under the Electricity Act 2003 (36 of 2003) for which no Regulations have been framed, and the Commission may deal with such matters, powers and functions in a manner it thinks fit.

Secretary, DERC