

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Petition No. 138/MP/2012

With I.A.No. 26/2012

Sub: Petition under Section 79 (1) (k) of the Electricity Act, 2003 read with Regulation 14 of the Central Electricity Regulatory Commission (Terms and Conditions for Recognition and Issuance of Renewable Energy Certificate for Renewable Energy Generation) Regulations, 2010.

Date of hearing : 19.6.2012

Coram : Dr. Pramod Deo, Chairperson
Shri S.Jayaraman, Member
Shri V.S. Verma, Member
Shri M.Deena Dalayan, Member

Petitioner : Dalmia Bharat Sugar and Industries Limited, New Delhi

Respondents : Uttar Pradesh New and Renewable Energy
Development Agency, Lucknow
National Load Despatch Centre, New Delhi

Parties present : Miss Ranjitha Ramchandran, Advocate for the petitioner
Shri Pankaj Rastogi, DBSIL
Shri Neeraj Kumar, GEPL
Miss Minaxi Garg, NLDC
Miss Joyti Prasad, NLDC

Record of Proceedings

The petitioner Dalmia Bharat Sugar and Industries Limited has filed this petition with regard to the accreditation by Uttar Pradesh New and Renewable Energy for generation of biomass based power (non solar) under Central Electricity Regulatory Commission (Terms and Conditions for Recognition and Issuance of Renewable Energy Certificate for Renewable Energy Generation) Regulations, 2010 (hereinafter referred to as the 'REC Regulations').

2. Learned counsel for the petitioner submitted that the Petitioner owned three bagasse based co-generation plants having capacity 25 MW, 27 MW and 26 MW at different locations in the State of Uttar Pradesh. Such co-generation plants are accredited and registered under the REC framework for 10 MW capacities of each plant. Learned counsel further submitted that the petitioner

co-generation plants have been established primarily to meet own power requirement (self consumption). Therefore, the PPA signed with the sole intention of only to sell surplus power up to 25 MW to Distribution Companies. He submitted that the petitioner has self consumption requirement of 10 MW during the crushing season and during non-crushing season, the self consumption is negligible and almost entire power generated would be available for sale to Distribution Companies under preferential tariff.

3. Learned counsel submitted that RECs are issued for the measured energy used for self-consumption in energy terms can never be claimed as sale of power to Distribution Company under preferential tariff. He further submitted that the petitioner is an eligible entity for participation in REC Mechanism for 10 MW for self-consumption for each of the units. Learned counsel requested the Commission to direct the UPNEDA not to reduce or cancel the accreditation.

4. The representative of NLDC submitted that Regulation 5 of the REC Regulations which deals with eligibility criteria for registration of a renewable energy generator under the REC mechanism *inter-alia* provides that RE generator should not have any power purchase agreement for the capacity registered under REC to sell electricity at a preferential tariff.

5. Learned counsel for the petitioner submitted that I.A. has been filed seeking ex-parte ad-interim order for staying the letter dated 16.3.2012 and the show cause notice dated 5.6.2012 issued by UPNEDA and for direction to UPNEDA not to take any adverse step with regard to accreditation of the petitioner under REC Regulations till the finalization of the present petition. The Commission directed UPNEDA not to reduce or cancel the accreditation till the next date of hearing. I.A. was disposed of accordingly.

6. The Commission admitted the petition and directed issue of notice to the respondents who shall file their replies by 5.7.2012 and the petitioner to file its rejoinder, if any, by 15.7.2012.

7. Based on the submission of the learned counsel for the petitioner and representative of the NLDC, the Commission directed the petitioner to file the data/information, on affidavit, to substantiate its contention that the energy recorded under captive consumption can never be claimed as sale of power to Distribution Company under preferential tariff and RECs cannot be claimed on the energy exported to Distribution Companies, on or before 15.7.2012.

8. The Commission directed the staff to examine separately eligibility related issue under the prevailing Regulations.

9. The petition shall be listed for hearing on 26.7.2012.

By Order of the Commission
SD/-
(T. Rout)
Joint Chief (Law)