

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

**Coram: Dr. Pramod Deo, Chairperson
Shri S. Jayaraman, Member
Shri V.S. Verma, Member**

DATE OF HEARING: 9.10.2012

Petition No. 161/MP/2012

Sub: Petition under section 79 (1) (k) of Electricity Act, 2003 read with Regulation 14 of the Central Electricity Regulation Commission (Terms and Conditions for Recognition and Issuance of Renewable energy certificate for renewable energy generation regulations, 2010.)

Petitioner: L.H. Sugar Factory Limited, Pilbhit, UP

Respondents: 1 Uttar Pradesh New and Renewable Energy Development Agency, Lucknow
2. National Load Dispatch Centre, New Delhi

Petition No. 162/MP/2012

Sub: Petition under section 79 (1) (k) of Electricity Act, 2003 read with Regulation 14 of the Central Electricity Regulation Commission (Terms and Conditions for Recognition and Issuance of Renewable energy certificate for renewable energy generation regulations, 2010.)

Petitioner: Someshwar Sahakari Sakhana Karkhana Limited, Pune

Respondents: 1. National Load Dispatch Centre, New Delhi
2. Maharashtra Energy Development Agency, Pune
3. Maharashtra State Load Dispatch Centre, Mumbai

Petition No. 164/MP/2012

Sub: Petition under section 79 (1) (k) of Electricity Act, 2003 read with Regulation 14 of the Central Electricity Regulation Commission (Terms and Conditions for Recognition and Issuance of Renewable energy certificate for renewable energy generation regulations, 2010.)

Petitioner: M/s Triveni Engineering and Industries Limited, New Delhi

Respondents: 1. National Load Dispatch Centre, New Delhi
2. Uttar Pradesh New and Renewable Energy, Lucknow
3. Uttar Pradesh State Load Dispatch Centre, Lucknow

Parties Present: Shri Rajiv Yadav, Advocate for the petitioners
Shri Kulbhusan Kumar, Advocate
Shri Ankit Sibbal, Advocate
Shri D.C. Saraswati
Shri Neeraj Kumar, SSSKL
Shri Ashish Awasthi
Shri Durga Prasad
Miss Jyoti Prasad, NLDC
Shri Minaxi Garg, NLDC

Record of Proceeding

Learned counsel for the petitioner, L.H. Sugar Factory Limited (LHSFL) submitted UPNEDA has not file any reply despite directions by the Commission during the last hearing held on 18.9.2012.

2. Learned counsel for the LHFSL submitted that the petitioner owns and operates a 44.25 MW co-generation plant located at Pilbhit which is accredited and registered under the REC framework for 15 MW capacity. Learned counsel submitted that in the meeting on implementation of REC framework held on 22.2.2012, it was clarified that the capacity of power tied up under preferential tariff even for a certain period in a year would be ineligible under the REC mechanism and the State Agencies were directed to re-check the accredited projects. Learned counsel submitted that the said clarification is not in consonance with 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 "REC regulations").

3. Learned counsel further submitted that in terms of Regulation 5 of the REC Regulations, one of the conditions for a RE generator to be legible for participating in the REC scheme is that it should not have any Power Purchase Agreement for the capacity related to such generation to sell electricity at a preferential tariff determined by the appropriate Commission. He further submitted that the actual power purchase would depend on the self/captive consumption of the units and would vary from time to time and from season to season. The captive requirement of the sugar mills varies

based on availability of cane for crushing and on the operating conditions at various points of time.

4. Learned counsel submitted that the PPA executed with the discom is with regard to sale of surplus power generated after the self-consumption. Therefore, sum of total capacity under PPA and under REC may not match the total installed capacity. In reply to a query of the Commission, learned counsel submitted that at any point of time, the sum total of captive consumption and the supply under the PPA will not exceed the total installed capacity of the plant. In response to further query of the Commission, as to whether proper arrangement is in place to measure the energy for self consumption and energy sold through PPA separately, learned counsel submitted that separate meters have been installed for self-consumption, Auxiliary Consumption, Grid export in accordance with the relevant Regulations.

5. Learned counsel for Someshwar Sahakari Sakhana Karkhana and Triveni Engineering and Industries Limited adopted the arguments advanced by the learned counsel for the LHSFL. Learned counsel submitted that capacity of its plant under accreditation and registration has been reduced without giving an opportunity of being heard to the petitioner. The Power Purchase Agreement provides that the petitioner is liable to supply to MSEDCL only such quantum of power as is left out after meeting its own consumption requirement. He further submitted the surplus power of 15.65 MW during off-season may vary from season to season.

6. Learned counsel submitted that Maharashtra Energy Development Agency (MEDA) in its reply has submitted that capacity has been reduced in compliance with orders and guidelines of Central agency (NLDC) as well as CERC for issuance of accreditation under REC Regulations.

7. None appeared on behalf of MEDA despite notice.

8. The Commission observed that in these petitions, the orders of State Agencies to reduce or cancel the accreditation have been challenged and adjudication of disputes relating to accreditation falls within jurisdiction of the State Commission. The Commission directed the petitioners to file written submission as to the maintainability of the petitions before the Central Commission as well as on merit by 10.11.2012 after

serving copies on the respondents who may file their responses, if any, by 20.11.2012.

9. Subject to above, Commission reserved the order in the petitions.

By Order of the Commission

**Sd/-
(T. Rout)
Joint Chief (Law)**