



नईदिल्ली  
NEW DELHI

याचिकासंख्या. /Petition No.: 194/MP/2019

कोरम/Coram:

श्रीपी. के. पुजारी, अध्यक्ष/Shri P. K. Pujari, Chairperson  
डॉ. एम. के. अय्यर, सदस्य/ Dr. M.K. Iyer, Member  
श्रीआई. एस.झा,सदस्य/Shri I. S. Jha, Member

आदेशदिनांक /Date of Order: 29<sup>th</sup> of January, 2020

**IN THE MATTER OF:**

Petition under Sections 66 and 79 of the Electricity Act 2003 read with Regulations 14 and 15 of Central Electricity Regulatory Commission (Terms and Conditions for Recognition and Issuance of Renewable Energy Certificate for renewable energy generation) Regulations, 2010 for directions to the Respondents, National Load Despatch Centre and Madhya Pradesh Urja Vikas Nigam Ltd., State Nodal Agency for revalidation of accreditation and registration of the Petitioner under the Renewable Energy Certificates (REC) mechanism and consequent reliefs.

**ANDIN THE MATTER:**

M/s. Porwal Auto Components Ltd.  
209, Industrial Sector 1  
Pithampur, Distt. Dhar  
Madhya Pradesh

....Petitioner

**VERSUS**

1. National Load Despatch Centre  
Power System Operation Corporation Limited  
B-9, Qutab Institutional Area, Katwaria Sarai,  
New Delhi – 110016
2. MP Urja Vikas Nigam Ltd.  
Urja Bhawan, Link Road no.2  
Shivaji Nagar, Bhopal,  
Madhya Pradesh

...Respondents

**Parties Present:** Shri Ajay, PACL  
Shri Devpendra Jain, PACL  
Shri Alok Kumar, NLDC

### आदेश/ ORDER

The Petitioner, M/s Porwal Auto Components Ltd., has a captive solar PV power plant of 1.5 MW (AC) capacity at village Kakodia, Tehsil Tarana, District Ujjain in State of Madhya Pradesh. The Petitioner has filed the petition under Sections 66 and 79 of the Electricity Act 2003 read with Regulations 14 and 15 of 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, 2010”) for directions to the Respondents, National Load Despatch Centre and Madhya Pradesh Urja Vikas Nigam Ltd. (State Nodal Agency) for revalidation of accreditation and registration of the Petitioner under the Renewable Energy Certificates (hereinafter referred to as ‘REC’) mechanism and consequent reliefs.

2. The Petitioner has made the following prayers:-

- a) *Hold that the Petitioner is entitled to revalidation of accreditation of the Petitioner’s projects with effect from 27.12.2018 and revalidation of registration with effect from 05.05.2019 under the REC Regulations and the procedures laid down thereunder.*
- b) *Condone the procedural delay of the Petitioner in the process for reaccreditation and re-validation.*

- c) *Allow Petitioner to submit any additional document, if required.*
- d) *Direct the Respondents to take necessary action for revalidation of accreditation of the Petitioner's projects with effect from 27.12.2018 and revalidation of registration with effect from 05.05.2019 under the REC Regulations and the procedures laid down thereunder.*
- e) *Direct the Respondents to issue RECs corresponding to the generation of electricity by the Petitioner for the period from 05/05/2019 onwards.*
- f) *Pass such other further order(s) as the Commission may deem fit in the facts and circumstances of the present case.*

### **Background**

3. The Petitioner, M/s Porwal Auto Components Ltd., is a captive solar PV power plant of 1.5 MW (AC) capacity in District Ujjain, Madhya Pradesh established under the Govt. of Madhya Pradesh Solar Policy 2012. The Petitioner commissioned the said plant on 27.12.2013. The project was accredited under REC Mechanism on 27.12.2013 and was registered under REC Mechanism on 05.05.2014 which was valid upto 04.05.2019.
4. The Petitioner applied for re-accreditation as the accreditation period expired on 26.12.2018. However, the Respondent's portal did not allow for the transaction to proceed online. Thereafter, the Petitioner made an application for accreditation on 11.04.2019 along with processing fees of Rs.11800/- and submitted hard copy of application along-with the required enclosures on 16.04.2019.
5. The Petitioner received an email dated 01.05.2019 from the Respondent No.2 seeking one time accreditation fees to complete the accreditation process. The Petitioner paid one time accreditation fees of Rs. 35,400/- and annual accreditation fees of Rs.11,800/- on 02.05.2019. The accreditation was issued to the Petitioner on 08.05.2019 by respondent 2 with a delay of about 4 days as the registration by Respondent No.1 expired on 04.05.2019. On 09.05.2019, the Petitioner applied for registration online and made payment of Rs.1180/- as processing fees.
6. The Respondent, vide email dated 15.05.2019, asked the Petitioner to submit one time registration fees and annual fee details in order to complete the registration process. The Petitioner tried to login on the portal for making payment of registration fees but portal

screen showed *'you are not authorized to login, Please contact site administrator'*. Therefore, the Petitioner approached Respondent No.1 for clarification.

7. The Respondent informed the Petitioner that the off-take route of electricity for the project is Captive Generating Plant (CGP), based on the REC Registration Procedures and REC Regulations, 2010. Hence, the application for new registration of the projects could not be entertained.

### **Submissions of the Petitioner**

8. The Petitioner has submitted that it owns a captive solar PV power plant of 1.5 MW (AC) capacity at Ujjain in Madhya Pradesh. The project was commissioned on 27.12.2013 after taking all requisite permissions from Govt. of Madhya Pradesh and concerned departments such as MP Power Transmission Company Ltd (MPPTCL, State Transco), MP Paschim Kshetra Vidhut Vitran Company Ltd (MPPKVVCL, State DISCOM).
9. The Petitioner has submitted that the project was accredited under REC Mechanism on 27.12.2013 under accreditation no. MP0SLPACLP001A271213 which was valid upto 26.12.2018 by Respondent No.2. The project was registered under REC Mechanism on 05.05.2014 under registration no. MP0SLPACLP001R050514 which was valid upto 04.05.2019 by Respondent 1.
10. The Petitioner has submitted that it applied for re-accreditation on 05.04.2019 as the accreditation period expired on 26.12.2018. Though the registration was still valid till 04.05.2019 the portal did not allow to proceed online. The Petitioner submitted the application for accreditation on 11.04.2019 and paid accreditation processing fees of Rs.11,800/- under acknowledgement no.APPLMP0ACCR1104193333. As per procedure of accreditation, it submitted hard copy of application along with the required enclosures vide letter ref. PACL/ENP/Re-REC/01 dated 11.04.2019 inward no.145 dated 16.04.2019.
11. The Petitioner has submitted that it received an email dated 01.05.2019 seeking one time accreditation fees to complete the accreditation process. It paid one time accreditation fees of Rs.35,400/- and annual accreditation fees of Rs.11,800/- on 02.05.2019. Later, vide letter ref. PACL/ENP/RE-REC/04 dated 30.04.2019 inward dated 04.05.2019, it requested

Respondent 2 to issue accreditation at the earliest as the registration was valid upto 04.05.2019.

12. The Petitioner has submitted that the accreditation was issued to it on 08.05.2019 vide accreditation no. MP0SLPACLO001A080519 by Respondent 2 with a delay of about 4 days (by which time the registration by Respondent No. 1 expired i.e. on 04.05.2019). Thereafter, on 09.05.2019, the Petitioner applied online and made payment of Rs.1,180/- towards registration application processing fees vide acknowledgement no. APPLMP0REGI0905193333.
13. The Petitioner has submitted that the Respondent vide email dated 15.05.2019 asked the Petitioner to submit one time registration fees and annual fee details in order to complete the registration process. Therefore, the Petitioner tried to login on the portal for making payment of registration fees. However, the portal screen showed '*you are not authorized to login, Please contact site administrator*'. Thereafter, it approached Respondent No.1 for clarification. The Respondent vide its reply on email dated 15.05.2019 informed the Petitioner that upon scrutiny of the application for registration, it observed that the off-take route of electricity for the project is Captive Generating Plant (CGP). Based on the REC Procedures and REC Regulations, 2010, the application for new registration of the project could not be entertained.
14. The Petitioner has submitted that the re-validation of the accreditation and registration process is only a procedural requirement and procedural compliance is to be undertaken for such re validation. There are no other substantial conditions to be fulfilled. Therefore, the non re-validation prior to expiry of the accreditation ought not to prejudice the petitioner with regard to the substantive rights and that too for the life of the projects. The process to be undertaken online is the payment of fees, whereas certain procedural documents are to be submitted to the Respondent No. 2 for the revalidation of the accreditation. The entire issue has arisen only because the fees of Rs.15,000/- was not being accepted online after 26.12.2018.
15. The Petitioner has submitted that it admits that there was delay in filing application for re-accreditation to Respondent 2 (considering that application for re-accreditation shall be filed

90 days before expiry). However, the Petitioner filed the application much before the expiry of registration (41 days before the expiry of registration) with Respondent 1.

16. The Petitioner has also submitted that in many cases, the Respondents have sent mails to RE generator for filing for re-validation such as in petition no.204/MP/2018 and in petition no.22/MP/2018. However, in the instant case, the Petitioner never received any such reminder from Respondent 1 and 2. The petitioner has cited references of the following Orders of the Commission for condoning the delay in applying for accreditation

- a. *Order dated 23.04.2019 in Petition no.204/MP/2018 in the matter of Eingur Wind Energy Private Limited V/s NLDC and TANTRANSCO*
- b. *Order dated 11.02.2019 in Petition no.22/MP/2018 in the matter of Mirra and Mirra Industries V/s NLDC and TANTRANSCO*

17. The Petitioner has submitted that it has generated renewable energy in compliance with the conditions applicable for issuance of RECs. The only difficulty which arose was on account of the delay of 4 days (between 04.05.2019 to 08.05.19) in filing the application for the revalidation of the registration. It was due to Respondent 2 that the accreditation was delayed beyond its control. It ought not to suffer for the life of the project as a consequence. Vested rights of the Petitioner by account of fulfilment of the substantive conditions under the REC Regulations, 2010 being fulfilled all through ought not to be prejudiced or denied to the Petitioner on account of the delay of about 88 days in the procedural formality of revalidation of the accreditation and consequent inability to revalidate the registration.

### **Submissions of the Respondent**

18. In the hearing held on 11.12.2019, the Respondent No. 1 has submitted that it is not filing the reply as it has acted as per the provisions of the REC Regulations, 2010.

### **Analysis and Decision**

19. The petition was filed on 19.07.2019, admitted on 24.09.2019 and reserved for Orders on 11.12.2019. We have heard the learned counsels for the Petitioner and the Respondents and have carefully perused the records.

20. The Petitioner, M/s Porwal Auto Components Ltd. established a captive solar PV power plant of 1.5 MW (AC) capacity at village Kakodia, Tehsil Tarana, Dist Ujjain, Madhya Pradesh. The project was accredited and registered under REC mechanism as below:-

Project Owner	Accreditation Number	Expiry of Accreditation	Registration Number	Expiry of Registration	Registered Capacity	Off-take route
Porwal Auto Components Ltd.	MP0SLPA CLP001A2 71213	26.12.2018	MP0SLPA CLP001R05 0514	04.05.2019	1.5 MW	Captive

21. The Petitioner applied for re-accreditation as the accreditation period was over on 26.12.2018. However, the Respondent's portal did not allow the Petitioner to proceed online. The accreditation was issued to the Petitioner on 08.05.2019 by Respondent 2 with a delay of about 4 days as the registration by Respondent No.1 expired on 04.05.2019. As per directions of Respondent No.2, the Petitioner tried to login on the portal for making payment of registration fees. However, the portal screen showed 'you are not authorized to login, Please contact site administrator'. The Petitioner approached Respondent No.1 for clarification. The Respondent informed the Petitioner that the off-take route of electricity for the project is Captive Generating Plant (CGP). Therefore, based on the REC Registration Procedures and REC Regulations, 2010, the application for new registration of the projects could not be entertained. The Petitioner has submitted that it is entitled to revalidation of accreditation of its project with effect from 27.12.2018 and revalidation of registration with effect from 05.05.2019 under the REC Regulations, 2010 and the procedures laid down thereunder. The procedural delay should be condoned. The Respondents should issue RECs corresponding to the generation of electricity by the Petitioner for the period from 05.05.2019 onwards. *Per contra*, the Respondent No. 1 has submitted that the application of the Petitioner cannot be accepted as per the provisions of the REC Regulations, 2010.

22. From the submissions of the parties, the following issues arise before this Commission:-

*Issue No 1: Whether the Petitioner is entitled to revalidation of accreditation for the Petitioner's project with effect from 27.12.2018 and registration of REC with effect from 05.05.2019 under the REC Regulations, 2010 and the REC Registration Procedures laid down thereunder and Whether the delay in applying for revalidation of accreditation and*

*registration can be condoned?*

**Issue No 2:** *Whether the Respondents should be directed to issue RECs corresponding to the generation of electricity by the Petitioner for the period from 05.05.2019 onwards?*

23. Since issue no. 1 and issue no. 2 are interconnected, the same are taken for discussions together. The Petitioner has submitted that it is entitled to revalidation of accreditation and registration with effect from 05.05.2019 under the REC Regulations and the procedures laid down thereunder. Accordingly, the Respondents should issue RECs corresponding to the generation of electricity by the Petitioner for the period from 05.05.2019 onwards. **Per contra**, the Respondent No. 1 has submitted that the application of the Petitioner cannot be accepted as per the provisions of the REC Regulations, 2010.

24. The Commission observes that Para 4.1(i) of the *Model Guidelines for Accreditation of a Renewable Energy Generation Project or Distribution Licensee*, as the case may be under REC Mechanism, stipulates that:

*“The Generating Company or Distribution Licensee, as the case may be, shall apply through REC web application for revalidation or extension of validity of existing accreditation at least three months in advance prior to expiry of existing Accreditation.”*

25. The Commission observes that Para 4.1(f) of the *Procedure for Registration of a Renewable Energy Generator or Distribution Licensee*, as the case may be by Central Agency reads as follows:

*“The generating company or Distribution Licensee, as the case may be, shall apply for revalidation or extension of validity of existing Registration at least three months in advance prior to expiry of existing Registration.*

*In case, RE generator has submitted online application for revalidation of Accreditation to State Agency before expiry of the Accreditation Certificate, and during the process of approval by State Agency, Registration Certificate is expired, in such cases, Central Agency will accept the application for revalidation of Registration.*

*Subsequent to re-validation of Registration, the concerned RE Generator will continue to receive RECs without considering any gap in the process of re-validation of Accreditation/Registration.*



*Further, Central Agency will reject the application of those RE generators who have not initiated the process of Accreditation/Registration before expiry of the Accreditation Certificate.”*

26. From the above, the Commission observes that an eligible entity is required to apply through REC web application for revalidation or extension of validity of existing accreditation at least three months in advance prior to expiry of existing Accreditation. In case RE generator has submitted online application before expiry of the accreditation certificate and during the process of approval by State Agency, registration certificate expires, in such cases, the Central Agency will accept the application for revalidation of registration. Subsequent to revalidation of registration, the concerned RE Generator will continue to receive RECs without considering any gap in the process of re-validation of accreditation/registration. Further, Central Agency will reject the application of those RE generators who have not initiated the process of accreditation/registration before expiry of the accreditation certificate.
27. In the instant petition, the Commission observes that the Petitioner did not apply for revalidation of accreditation as on due date of 26.09.2018 (three months prior to date of expiry of accreditation i.e. 26.12.2018). The Petitioner has also admitted that there was delay in filing application for re-accreditation to Respondent 2. It applied for revalidation of accreditation on 11.04.2019 as the portal could not be logged on due to revocation of accreditation. This delay in re-accreditation has further caused delay of 4 days in re-registration by NLDC. Hence, the Petitioner has failed to comply with the REC Registration Procedures to initiate the reaccreditation process before expiry of accreditation certificates. The application process for re-validation of accreditation and registration is through a web-based link which automatically expires as soon as the prescribed last date for such an application elapsed. Hence, the Petitioner could not complete the process of re-registration before 05.05.2019.
28. The Commission notes that during the course of hearing, the Petitioner has accepted its mistake regarding non- initiation of the application within time for the process of revalidation of accreditation of the project under REC mechanism prior to three months as stipulated under Para 4.1(i) of the Model Guidelines for Accreditation of a Renewable Energy Generation Project or Distribution Licensee. The Petitioner further submitted that this error

was procedural in nature and the delay may be condoned.

29. The Commission observes that Regulation 7 of the REC Regulations, 2010 stipulates as under:

“5. Eligibility and Registration for Certificates:

.....  
*(1B) A Captive Generating Plant (CGP) based on renewable energy sources, including renewable energy generating plant not fulfilling the conditions of CGP as prescribed in the Electricity Rules, 2005 but having self-consumption, shall not be eligible for participating in the REC scheme for the energy generated from such plant to the extent of self-consumption, if such a plant:*

*a) has been commissioned prior to 29th September 2010 or after 31st March 2016; or*

*b) is not registered with Central Agency under REC scheme on or before 30<sup>th</sup> June 2016.*

*Provided that a CGP based on renewable energy sources, including renewable energy generating plant not fulfilling the conditions of CGP as prescribed in the Electricity Rules, 2005 but having self-consumption, and fulfilling both the following conditions:*

*a) having date of commissioning between 29th September 2010 and 31<sup>st</sup> March 2016; and*

*b) registered with Central Agency under REC scheme on or before 30th June 2016*

*shall be eligible for the entire energy generated from such plant for participating in the REC scheme subject to the condition that such plant does not avail or does not propose to avail any benefit in the form of concessional/promotional transmission or wheeling charges and/or banking facility benefit:*

*Provided further that if such plant meeting the eligibility criteria for REC, forgoes on its own, the benefits of concessional transmission or wheeling charges and/or banking facility benefit, it shall become eligible for participating in the REC scheme only after a period of three years has elapsed from the date of forgoing such benefits:*

*Provided also that the above mentioned condition for participating in the REC scheme shall not apply if the benefits given to such plant in the form of concessional transmission or wheeling charges and or banking facility benefit are withdrawn by the concerned State Electricity Regulatory Commission and/or the State Government:*

... ”

30. From the above, the Commission observes that a Captive Generating Plant (CGP) having self-consumption is eligible for participating in the REC scheme subject to the condition that (i) it should have been commissioned between 29.09.2010 and 31.03.2016; (ii) it should have been registered under REC scheme on or before 30.06.2016 and (iii) It does not avail any benefit in the form of concessional/promotional transmission or wheeling charges and/or banking facility benefit.
31. In the instant petition, the Commission notes that the Petitioner is a captive solar PV power plant of 1.5 MW and was commissioned on 27.12.2013 i.e. between 29.09.2010 and 31.03.2016. Further, the project was registered under REC Mechanism on 05.05.2014 i.e. before 30.06.2016. The only issue is of delay in filing of application of re-accreditation i.e. on 11.04.2019 which otherwise should have been filed on 26.09.2018 (three months prior to date of expiry of accreditation i.e. 26.12.2018). Accordingly, the project was accredited afresh on 08.05.2019 after the expiry of the previous registration and the Petitioner could apply for registration only on 09.05.2019. The Petitioner has submitted that the delay was procedural in nature whereas the Respondent has submitted that as per Regulation 7 of the REC Regulations, 2010, the Petitioner being a CGP is not eligible for new registration.
32. We are in agreement with the contention of NLDC. The Petitioner was required to submit the application in terms of REC Regulations, 2010 and REC Procedures made thereunder. However, the Petitioner failed to apply for revalidation of accreditation and registration within the timeline specified in the REC Procedures. The Petitioner has accepted its mistake for not initiating the process of revalidation of accreditation of the project under REC mechanism prior to three months before as stipulated under Para 4.1(i) of the *Model Guidelines for Accreditation of a Renewable Energy Generation Project or Distribution Licensee*. The Petitioner has further submitted that this error was procedural in nature and the application was punched before the expiry of previous registration. However, the same was denied on account of procedural and technical issues as Respondent has no power/authority to condone the same and that it could be condoned only by the Commission.
33. The Commission is of the view that it is a case of delay in revalidation of accreditation and registration which is purely procedural in nature. In the circumstances explained above, the Commission feels it necessary to condone the procedural delay on the part of the Petitioner in applying for revalidation of accreditation and registration. The Commission observes that the

main objective of REC Regulations, 2010 is to promote the generation of renewable energy. The Commission directs the Respondents to revalidate accreditation and registration of the CGP project under REC mechanism. As there was generation of renewable energy, the Respondents are directed to issue RECs corresponding to the generation of electricity by the Petitioner for the period from 05.05.2019 onwards subject to review of the application in line with the Energy Injection Report.

34. Accordingly, Petition No. 194/MP/2019 stand disposed of.

Sd/-  
आई. एस. झा  
सदस्य

Sd/-  
डॉएम. के. अय्यर  
सदस्य

Sd/-  
पी. के. पुजारी  
अध्यक्ष