

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Petition No. 61/MP/2019

Subject : Petition seeking directions against the Respondent, National Load Dispatch Center in the matter of issuance of the Renewable Energy Certificates to the Petitioners for the specified period.

Petitioners : 1. Weizmann Limited
2. Karma Energy Limited (KEL)

Respondent : National Load Despatch Centre

Date of Hearing : 19.11.2019

Coram : Shri P. K. Pujari, Chairperson
Dr. M. K. Iyer, Member
Shri I.S. Jha, Member

Parties present : Shri M.G. Ramachandaran, Senior Advocate, KEL
Ms. Dipali Sheth, Advocate, KEL
Shri Shubham Arya, Advocate, KEL
Shri Shourya Bari, Advocate, KEL
Shri Arjun Krishnan, Advocate, NLDC
Shri Ankur Singh, Advocate, NLDC
Shri Shailendra Verma, Advocate, NLDC
Shri Ashok Rajan, NLDC

Record of Proceedings

Learned senior counsel for the Petitioners submitted that the present Petition has been filed seeking direction to the Respondent, National Load Despatch Centre to issue the Renewable Energy Certificates (REC) for the periods from April, 2018 to June, 2018 and from 1.7.2018 to 14.7.2018 to the Petitioner 1 and 2 respectively. Learned senior counsel argued at length and mainly submitted as under:

(a) Pursuant to the Scheme of Demerger from the appointed dated i.e. 1.4.2010, the Petitioner 1, Weizmann Limited was required to act as trustee of Petitioner 2, Karma Energy Limited. The Petitioners 1 and 2 belong to same Group, namely Weizmann Group and the Promoters of both the Petitioners are also same. Even the Shareholders of both the Petitioner's Companies are substantially the same as the Petitioner 2 was formed pursuant to the Scheme of Demerger.

(b) Procedure for Issuance of RECs to the Eligible Entity by Central Agency dated 17.3.2010, which was in existence at the time of the execution of the Scheme, has no provision regarding the procedure to be followed by the eligible entity in case of change in its name. Therefore, with the advent of the GST in 2017, the Petitioners have complied with the Central Electricity Regulatory Commission (Terms and Conditions for recognition and issuance



of Renewable Energy Certificate for Renewable Energy Generation) Regulations, 2010 ('REC Regulations') and accordingly, the details were updated.

(c) The Petitioners have complied with all the eligibility criteria and necessary registration requirements for issuance of the RECs under Regulation 5 of the REC Regulations.

(d) The Petitioners had informed the Respondent about the structuring of their business while applying for revalidation of accreditation and re-registration of the company in the year 2017. On 25.7.2010, the Petitioner 1 initiated the formalities for change of name of the company in the records of the various State Electricity Boards including MSEDCL by making an application in respect thereof.

(e) Wind power is infirm power which is generated only when wind is available and any forceful stoppage is loss for ever to generator. Therefore, the cut - off for issuance of invoices, certificates can only be as per the cut off date on the document issued by relevant agencies like MSEDCL and MEDA in the present case. Therefore, non-issuance of RECs pursuant to name change in the records of MSEDCL is unjustified and arbitrary.

(f) The Petitioners had inadvertently failed to register as generating company after demerger/restructuring exercise. However, the Commission may condone the delay in change in registration in terms of the Order dated 9.11.2017 in Petition No.141/MP/2017.

2. Learned counsel for the Respondent, NLDC submitted as under:

(a) As per Regulation 5 of REC Regulations, only a generating company producing renewable energy is eligible for registration for issuance of REC Certificates.

(b) As per the REC Regulations, the Petitioner 1 while not being the generating company, applied for accreditation and registration in its own name by willfully suppressing the fact of change in ownership of the RE Generating Plants from the Petitioner 1 to Petitioner 2 after the scheme of restructuring.

(c) The Petitioner 1 has not disclosed the fact of change in ownership even at the time of re-accreditation in the year 2016 and re-registration in the year 2017.

2. After hearing the learned senior counsel for the Petitioners and the learned counsel for the Respondent, the Commission reserved order in the Petition.

By order of the Commission

**Sd/-
(T.D. Pant)
Deputy Chief (Legal)**

