

Comments and Suggestions on Terms and Conditions for Renewable Energy Certificates for Renewable Energy Generation) Regulations, 2022

<u>S.No.</u>	<u>Clause No.</u>	<u>Existing Provision</u>	<u>Our Proposed Comments and Suggestions</u>	<u>Remarks / Justifications / Observations</u>
1	Clause No. 4.1 of Explanatory Memorandum	The primary criteria for the entity to be eligible under REC mechanism are that the entity should be engaged in generation of electricity from approved RE sources and connected to the grid.	Incorporation of Off Grid Captive projects under REC Mechanism	Most of the CPP are of Off Grid in nature, as per the proposed Draft, the CPP are not eligible to participate in sale of RECs to the extent of self-consumption. Therefore, Off-Grid Captive plants should also be made eligible for RECs and permit to use these RECs towards its RPO Compliance.
2.	Clause No. 4 (3)	Captive generating station based on RE sources meeting above point a & b, provided that the Certificates issued to such CPP to the extent of self-consumption shall not be eligible for sale but can be used only to offset RPO of such CGSs	Following suggestions are being made: 1. It is suggested to reconsider the sale of REC corresponding to RE power consumption beyond RPO compliance of such CPP 2. Or, REC Certificate issued to such CPP shall also be used to fulfill the RPO compliance of group Companies of CPP if any.	The proposed provision will enable and encourage RE based CPP.
3.	Clause No. 8 (2) of Notification	The registration for Certificates granted in terms of these regulations shall be valid for 15 years from the date of registration for Certificates	Re-registration or Suspension of registration	There may be cases where the generators during the tenure of this 15 years may supply power for a short duration as RE to the obligated entities (DISCOM, OA consumers etc.). So the draft notification shall include the provisions in such scenario, whether the generators has to de-register during this period and again apply for Re-registration or the Registration shall stands

				as suspended during this period and shall deemed to be eligible there after.
4.	Clause No. 10 Issuance of Certificate	Application for issuance of Certificates shall be made to the Central Agency within six months from the corresponding generation by the eligible entity	Issuance of Certificate shall be linked with accreditation and registration for Certificate instead from corresponding generation	In few cases accreditation and registration takes significant time for process.
5.	Clause No. 11: Exchange and Redemption of Certificates, and Clause No. 13: Pricing of Certificate	The Certificates shall be exchanged through power exchanges or through electricity traders. The price of Certificate shall be as discovered in the Power Exchange(s) or as mutually agreed between eligible entities and the electricity traders.	Commission should also allow bilateral transaction between RE Generator and Obligated Entity and all such transaction shall be reported to Central Agency on monthly basis.	We request the commission to permit bilateral trade between RE generator and Obligated entities towards RPO compliance. By allowing bilateral trade, the DISCOMs can invite ST/MT/LT bids for procurement of RECs, the generators shall have a source of income which is bankable for sourcing the loan.
6	Clause 2 (9) of Explanatory Memorandum	Categorisation of certificates as solar and non-solar has been dispensed with; instead the concept of Multiplier has been introduced for new RE Projects based on the principle of tariff range for various RE technologies.	Removal of Categorization of Certificate	The draft proposes for removal of Categorization of Certificates (Non-Solar and Solar) with the concept of Multiplier, therefore the State RPOs (Solar, Non-Solar , Hydro) shall be inline with the proposed changes, or else the REC regulations should permit to use the Certificate against compliance of any category of RPOs (Solar, Non-solar, Hydro etc.