



नई दिल्ली
NEW DELHI

याचिका संख्या./ Petition No. 15/SM/2022

कोरम/ Coram:

श्री आई. एस. झा, सदस्य/ Shri. I.S. Jha, Member
श्री अरुण गोयल, सदस्य/ Shri. Arun Goyal, Member
श्री पी. के. सिंह, सदस्य / Shri P.K. Singh, Member

आदेश दिनांक/ Date of Order: 09.12.2022

IN THE MATTER OF

Determination of Fee and Charges payable under Regulation 15 of the Central Electricity Regulatory Commission (Terms and Conditions for Recognition and Issuance of Renewable Energy Certificate for Renewable Energy Generation) Regulations, 2022.

ORDER

The Commission notified the Central Electricity Regulatory Commission (Terms and Conditions for Recognition and Issuance of Renewable Energy Certificate for Renewable Energy Generation) Regulations, 2022 (hereinafter referred to as 'REC Regulations') on 09.05.2022. By virtue of clause (1) of Regulation 3 of the REC Regulations, this Commission has designated the National Load Despatch Centre as the Central Agency to perform the functions under clause (2).

2. Regulation 3(2) of the REC Regulations provides the functions of the Central Agency as under:

- i. undertake registration of eligible entities,
- ii. develop a mechanism for accounting of generation and sale in respect of Certificates;
- iii. undertake issuance of Certificates,
- iv. maintain and settle accounts in respect of Certificates,



- v. act as repository of transactions in Certificates,
- vi. maintain Registry of Certificates,
- vii. perform such other functions incidental to sub-clauses (i) to (vi) of this clause,
- viii. undertake any other function that may be assigned by the Commission

3. Regulation 15 of the REC Regulations empowers the Commission to determine by order, based on the proposal in this regard from the Central Agency, the fees and charges payable by the eligible entities for participation in the scheme for accreditation, registration, issuance of certificates, and other matters connected therewith. The relevant portion of the REC Regulations is extracted as under:

"15. FEES and CHARGES

The Commission may, based on the proposal from the Central Agency, determine the fees and charges payable by the eligible entities for accreditation, registration, issuance of Certificates and other matters connected therewith."

4. In accordance with the above Regulation, the Central Agency submitted a proposal through communication dated 7th October, 2022 for the determination of the fees and charges payable by the eligible entities for accreditation, registration, issuance of certificates and other matters connected therewith.

5. Central Registry in its proposal has highlighted that the expenditure towards Central Agency's responsibility for REC mechanism is not covered through RLDC Fees and charges and these charges are determined and recovered through separate orders of the Commission from time to time, based on the proposal in this regard from the Central Agency.

6. According to the proposal expenditure likely to be incurred by the Central Agency towards discharging its functions as described in the REC Regulations 2022 can be categorised under the following heads:

- i. Development of REC Web Application
- ii. Comprehensive AMC charges of REC Web Application
- iii. Server co-location charges/ Cloud Server Space charges
- iv. Expenditure towards Cyber Security Compliance
- v. Manpower Expenses
- vi. Legal Expenses



- vii. Expenditure towards Compliance Audit
- viii. Capital Expenditure towards IT infrastructure upgradation
- ix. Miscellaneous expenses

7. Central Agency has highlighted that a complete upgradation of REC Web application would require conforming the same with the REC Regulations 2022 and would require exclusive expenditure towards Cyber Security infrastructure and audit compliance to comply with Government of India's thrust towards Cyber security.

8. It is also highlighted that as per the REC Regulations 2022 the registration granted by the Central Agency to the eligible entities shall remain valid for a period of 25 years which will further reduce the fees received towards the revalidation of registration charges.

9. The proposal also includes fees and charges for accreditation by RLDCs as per the Regulations 6 (2) of the REC Regulations 2022 for accreditation of eligible entities connected to inter-State transmission system.

10. The Central Agency in its proposal has provided audited accounts of income and expenditure statement and balance sheet pertaining to REC mechanism for FY 2020-21 and FY 2021-22 and highlighted that it has suffered recurrent loss of Rs. 55.86 Lakhs and Rs. 50.09 Lakhs in the previous FY 21 and FY 22 respectively.

11. Following table has been proposed by POSOCO:

- a) Fees and Charges applicable to the service of the Central Agency
- b) Fees and Charges applicable to the service of the RLDC

a) Fees and Charges applicable to the service of the Central Agency			
S.No.	Fees and Charges Head	Existing Fees (Rs.)	Proposed Fee (Rs.)
1	One-time Registration Processing Fees	1000	10000
2	One-time Registration charges	5000	25000

3	Annual Charges for Registration	1000	10000
4	Fees for Charges for issuance of certificate	2	Rs 5 till FY 2025-26 Rs. 7.50 from FY 2026-27 to FY 2027-28 Rs. 10 for FY 2028-29 onwards

b) Fees and Charges applicable to the service of the RLDC			
S.No.	Details	Existing Fee for State Agency (Rs.)	Proposed Fee for RLDC (Rs.)
1	One-time Accreditation Processing Fees	5000	10000
2	One-time Accreditation Charges	30000	30000
3	Annual Charge for Accreditation	10000	10000

Analysis and Decision:

12. The Commission has examined the proposal submitted by the Central Agency for the determination of the fees and charges payable by the eligible entities for accreditation, registration, issuance of certificates and other matters connected therewith.

13. National Load Despatch Centre (NLDC) and Regional Load Despatch Centers (RLDCs) are statutory bodies set up under Section 26 and Section 27 of the Electricity Act 2003 respectively. NLDC and RLDCs are being operated by Grid



Controller of India Limited (Grid-India) (earlier known as Power System Operation Corporation Limited (POSOCO)).

14. The Commission through Orders dated 21.09.201, 05.02.2014, 28.12.2016 and 30.04.2021 has determined fees and charges, to be paid by the eligible entities to the Central Agency. A summary of the applicable fees and charges at present is as follow:

- i. Application Processing Fees (One Time) – Rs. 1000
- ii. Registration Charges (One Time) - Rs 5000
- iii. Annual Charges – Rs 1000
- iv. Revalidation Charge – Rs 5000
- v. REC Issuance Fees – Rs 2 per Certificates

15. The issuance fee per certificate which forms the major component, has been revised by the Commission from time to time:

Type	CERC Order dated 21.09.2010	CERC Order dated 05.02.2014	CERC Order dated 28.12.2016	CERC Order dated 30.04.2021
REC issuance Fee per Certificate	Rs 10	Rs 4	Rs 2	Rs 2

16. The Commission noted the upgradation required in REC Web application to conform with the REC Regulations 2022 and with the need for Cyber Security. It is also observed that as per Regulation 6(2) pf the REC Regulations 2022, the accreditation of the eligible entities connected to the inter-State transmission system would be granted by the RLDCs of the region in which such eligible entities are located.

17. After scrutiny of the audited REC Accounts of the Central Agency, including the income and expenditure statements as well as the accumulated surplus position, the Commission directs as follows:

A) Fees and Charges applicable to the service of Central Agency:

Sr No	Head	Details	Amount in Rs.
1	One-time Registration Processing Fees	Payable at the time of submitting the application for Registration to the Central Agency	10,000/-
2	One time Registration Charges	Payable upon grant of Registration	25,000/-
3	Annual Charges for Registration	Payable at the time of Registration and by April 10 th for each subsequent fiscal year	10,000/-
4	Fees for issuance of Certificate	Payable for issuance of Certificates (@ per Certificate)	5 per certificate

B) Fees and Charges applicable for the Services of the RLDCs

Sr No	Head	Details	Amount in Rs.
1	One-time Accreditation Processing Fees	Payable at the time of submitting the application for Accreditation	10,000/-
2	One-time Accreditation Charges	Payable upon grant of Accreditation	30,000/-
3	Annual Charges for Accreditation	Payable at the time of Accreditation and by April 10 th for each subsequent fiscal year	10,000/-

18. The above Fees and charges as approved by the Commission through this Order shall be payable by the eligible entities participating in the REC Mechanism and shall remain in force until further orders.

19. The petition is disposed of in terms of above.

Sd/-

(Pravas Kr. Singh)
Member

Sd/-

(Arun Goyal)
Member

Sd/-

(I. S. Jha)
Member

