



नई दिल्ली  
NEW DELHI

याचिका संख्या./ Petition No. 226/MP/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: 27<sup>th</sup> of February, 2023

**IN THE MATTER OF:**

Petition under Section 79(1)(k) read with Regulation 15 of the Central Electricity Regulatory Commission (Terms and Conditions for Recognition and Issuance of Renewable Energy Certificate for Renewable Energy Generation) Regulations, 2010 dated 14.01.2010 read with the Detailed Procedure issued in terms of Regulation 3(3) of the said Regulations and its subsequent amendments/revisions for relaxation of the provisions of the Modified Detailed Procedure dated 16.03.2018

**AND IN THE MATTER OF:**

Narmada Switchgear Private Limited (NSPL)

Plot No 3, Industrial Estate

Govindpura, Bhopal

**...Petitioner**

**Versus**

**1. National Load Despatch Centre (NLDC),**

B-9, Qutab Institutional Area,  
Katwaria Sarai, New Delhi-11001

**2. Madhya Pradesh Urja Vikas Nigam Limited**

B-9, Qutab Institutional Area,  
Urja Bhawan, Link Road 2, Shivaji Nagar  
Bhopal-462016

**...Respondents**

**Parties Present:** Shri Parinay Deep Shah, Advocate, NSPL  
Shri Kailash Chand Saini, NLDC  
Shri Kasif Usman, NLDC  
Shri Gajendra Singh Vasava, NLDC

**आदेश/ ORDER**

The Petitioner, Narmada Switchgear Private Limited is a renewable generating company and owns and operates a 2 MW solar power plant situated at Sehore, Madhya Pradesh (the project). The project was commissioned on 31.03.2015. The Petitioner has appointed Ujaas Energy Limited by work order dated 10.03.2015, as its O&M agent, who is responsible for performing the procedural requisites under the REC Regulations, 2010 and for coordinating with the State Agency and the Central Agency on behalf of the Petitioner.

2. The Respondent No.1, National Load Despatch Centre (NLDC) has been designated as the Central Agency for the REC mechanism, in accordance with the REC Regulations, 2010 vide order dated 29.01.2010.
3. The Respondent No. 2, Madhya Pradesh Urja Vikas Nigam Ltd. is the Madhya Pradesh State Agency. It was established by the Government of Madhya Pradesh in 1982 as the nodal agency

for implementing various programs and policies of the Government of India as well as the State Government for the renewable energy sector.

4. The petitioner has made the following prayers:
  - a. *Exercise its powers to relax and declare that the accreditation of the Petitioner's Project with the Respondent Madhya Pradesh State Agency with Accreditation No. MPOSLNSBPL002A160415 is deemed to be valid for the period 01.05.2020 to 29.12.2020.*
  - b. *Exercise its powers to relax and declare that the registration of the Petitioner's Project with the Respondent NLDC with Registration No. MPOSLNSBPL002R010515 is deemed to be valid for the period 01.05.2020 to 29.12.2020.*
  - c. *Direct the Respondent, NLDC to issue RECs to the Petitioner for the period 01.05.2020 to 29.12.2020.*

#### **Submissions of the Petitioner**

5. The Petitioner has submitted as under:
  - i. The Petitioner's project was registered under the REC mechanism by the Central Agency on 01.05.2015 with registration number MPOSLNSBPL002R010515. This registration was to expire on 30.04.2020. The Petitioner was required to apply for the renewal of registration at least three months in advance of the date of 30.04.2020.
  - ii. The Petitioner's O&M agent was suffering huge losses and proceedings for recovery of dues were also initiated against it before appropriate forums. During the early months of 2020, several officials of the O&M agent had left the company and new officials in charge were not well adapted to all the procedural requirements as mandated by the REC Regulations, 2010 and the detailed procedure. Due to this sudden unavoidable circumstance with the company, the O&M agent was unable to apply for the renewal within time. Meanwhile, the country was hit by the sudden onset of COVID-19. The Petitioner's office and the O&M agent's office was also shut due to which the O&M agent could not apply for the extension of the validity of the accreditation/registration. Meanwhile, the Petitioner's registration expired on 30.04.2020, on which date , the nationwide lockdown was in full force and strict compliance was made mandatory.

- iii. Vide office memorandum dated 30.05.2020 issued by the Ministry of Home Affairs, Government of India, the nationwide lockdown was partially lifted. Immediately upon resuming work in June 2020, the O&M agent officials applied for the renewal of the registration, the validity of which had expired on 30.04.2020. For the purpose of renewal of the registration, the O&M agent applied for renewal of the accreditation with the MP State Agency and upon completion of the accreditation process, the procedure for registration with the Central Agency was undertaken.
- iv. Vide email dated 11.08.2020, the Central Agency wrote to the Petitioner stating that the application for issuance of RECs for the month of May'20 of NSPL having Registration No. MP0SLNSBPL002R01515 has been received at Central Agency on 13.07.2020. The aforementioned project was accredited by Madhya Pradesh State Agency under REC mechanism on 16.04.2015 with accreditation Number: MP0SLNSBP002A160415. Subsequent to accreditation, the aforementioned project was registered by the Central Agency under REC mechanism on 01.05.2015. Thereafter, as per the CERC REC Regulations & Procedures, the Accreditation & Registration of aforementioned project under REC Mechanism expired on 15.04.2020 and 30.04.2020 respectively. Therefore, in view of CERC REC Regulations and Procedures, NSPL having Registration Number MP0SLNSBPL002R01515 was eligible for issuance of RECs till its valid date of Registration only i.e. till 30.04.2020.
- v. It is further submitted that the process of registration was completed on 30.12.2020, i.e., after almost 5 months from the date of processing of the application by MP State Agency on 13.07.2020. The Petitioner was allotted a new registration number being MP0SLNSPLB002R301220 and as per the Registration Certificate, the date of registration starts from 30.12.2020 and the new REC certificate shall expire on 29.12.2030.
- vi. The Petitioner does not have any existing/valid registration for the period from May 2020 to November 2020. Consequently, during this period the Petitioner has not been issued RECs and has suffered huge financial loss of approximately Rs.47 lacs.
- vii. On account of the financial losses accrued, the Petitioner wrote an email dated 29.01.2021 to the Central Agency explaining that the reason in delay in applying for extension of the validity of the registration was the lockdown imposed due to COVID-19

and requested the Central Agency to condone the delay and approve the REC application for the period from May 2020 to November 2020.

- viii. Subsequently, the Petitioner wrote emails dated 17.02.2021, 22.02.2021 and 04.03.2021 to the Central Agency requesting that the delay in applying for revalidation of registration be condoned and REC issued for the said period from May 2020 to November 2020.
- ix. The Petitioner did not get any response from the Central Agency to the above emails. Thereafter, the Petitioner wrote email dated 04.03.2021 to this Commission by also marking Central Agency on the email.
- x. The Central Agency replied to the Petitioner vide its email dated 05.03.2021 (The Commission was also marked) stating as follows :
- a) The process of online application of revalidation of accreditation of aforementioned RE project could have been initiated by the RE generator through REC Web Application between the period from 16.01.2020 to 15.04.2020. However, the process for online application for revalidation of accreditation was not initiated by the RE Generator within the above said timeline of three (3) months.
  - b) The 1st phase of lockdown due to COVID-19 pandemic was initiated by the Govt. of India in the last week of March 2020. However, the RE generator could apply for an online application for revalidation of accreditation of aforementioned RE project through REC Web based Application even during lockdown period.
  - c) Since, the process of online application of revalidation of accreditation was not initiated by the RE generator through REC Web based Application within the timeline, as aforementioned, the Registration Certificate of aforementioned project also expired on 30.04.2020.
  - d) Also, as per CERC REC Regulations, 2010 and approved REC Procedures under REC Mechanism, the RE project is eligible for issuance of RECs till its valid date of Registration Certificate only i.e. 30.04.2020. Since the Annual Fee (Post Registration for FY 2020-21) was not submitted by the RE generator for aforementioned project, the RECs for the month of April, 2020 will be kept on hold.
  - e) The aforementioned 2 MW Solar PV Project was accredited by MP State Agency on 02.11.2020 with Accreditation Number: MP0SLNSPLB002A031120. Subsequent to accreditation of project, incomplete hard copy of application of registration was

received at Central Agency on 02.12.2020. Hence, Central Agency sent comments for the same vide email dated 11.12.2020 & 24.12.2020. The Authorization letter was received from RE Generator on 23.12.2020 and recommendation checklist was received from MP State Agency on 24.12.2020. Subsequently the application of registration was approved by the Central Agency on 30.12.2020. Hence, as per CERC REC Regulations and Procedures under REC Mechanism, there was no delay at Central Agency during process of application of registration of NSPL (Registration Number: MP0SLNSPLB002R301220).

- xi. The Petitioner submitted that the Central Agency's assertion that the Petitioner had failed to make the requisite payments is incorrect. The Petitioner had duly made payment towards the annual fee of the Project on 20.04.2020, i.e., before the expiry of the registration of the REC. This Annual Fee was also debited from the Petitioner's account but the same did not reflect on the REC portal. Subsequently, the Petitioner wrote email dated 25.04.2020 to the Central Agency enclosing the payment receipts as proof of payment and requested the Central Agency to update its record. Thereafter, the Petitioner's account on the REC portal was closed and the Petitioner was not able to make any new payments after 30.04.2020. The Petitioner had also written email dated 21.05.2020 to the Central Agency on the same issue/concern.
- xii. The financial/administrative situation of the O&M agent which resulted in failure to apply for the registration within time is not attributable to the Petitioner and any delay caused due to these circumstances must be condoned and these circumstances were further aggravated on account of COVID-19.
- xiii. The Petitioner has requested the Commission to exercise its powers to relax under the Regulation 15 of the REC Regulations, 2010 and relax the modified detailed procedure dated 16.03.2018 and hold that the Petitioner's Accreditation Certificate with Accreditation No. MP0SLNSBPL002A160415 and Registration Certificate with Registration No. MP0SLNSBPL002R010515 is valid. It has also requested Commission to direct the Central Agency to issue RECs to the Petitioner for the period 01.05.2020 to 29.12.2020.

**Hearing dated 15.12.2018:**

6. During the course of hearing, the learned counsel for the Respondent submitted that the Respondent does not have any objection to the petition. After hearing the representative of the Petitioners and the Respondent, the Commission admitted the Petition and reserved the matter for Orders.

**Analysis and Decision:**

7. We have heard the Petitioner and the Respondent and have carefully perused the records.
8. The Petition came up for hearing on 15.12.2022. During the hearing, the Petitioner submitted that the present Petition has been filed, inter-alia, praying the Commission to exercise its power to relax as provided in Regulation 15 of the Central Electricity Regulatory Commission (Terms and Conditions for recognition and Issuance of Renewable Energy Certificate for Renewable Energy Generation) Regulations, 2010 to relax the provision of the modified detailed procedure dated 16.3.2018 issued by NLDC and declare that the accreditation and registration of the Petitioner's Project is deemed to be valid for the period from 01.05.2020 to 29.12.2020 and further to give direction to NLDC to issue RECs to the Petitioner for the said period.
9. The representative of the Respondent NLDC submitted that NLDC has no objection to the petition and that the Commission may pass an Order as deemed fit.
10. The main grievance of the petitioner is about the non-issuance of RECs by the Central Agency to the Petitioner's project from 01.05.2020 to 29.12.2020. The reasons submitted for non-issuance of RECs were as follows :
  - a. The O&M agent had become insolvent and most of its officials had left the company due to which they were not able to timely apply for the renewal of the accreditation and registration for the project under the REC mechanism. The accreditation had expired on 15.04.2020 and registration had expired on 30.04.2020.
  - b. The Government of India had imposed a complete nationwide lockdown due to COVID-19 situation from 24.03.2020 due to which the Petitioner's O&M agent could not apply for the extension of the validity of the accreditation/registration. Meanwhile,

the Petitioner's registration expired on 30.04.2020. On 30.05.2020, the nationwide lockdown was partially lifted and therefore, upon resuming work in June 2020, the O&M agent officials applied for renewal of the accreditation and registration.

11. The only issue involved is *whether to declare that the accreditation and registration of the Petitioner's Project is deemed to be valid for the period from 1.5.2020 to 29.12.2020 and in the alternate whether to condone the delay in application for issuance of RECs for the period 01.05.2020 to 29.12.2020 ?.*

12. The relevant provisions of Procedure for Issuance of Renewable Energy Certificates to the Eligible Entity by Central Agency (REC Issuance Procedures) stipulates as under: -

***“3. STEP-WISE DESCRIPTION OF THE PROCEDURE***

*3.1. Step - 1: An application for issuance of Renewable Energy Certificate shall be made by the Eligible Entity to the Central Agency. The eligible entity shall apply for Issuance of REC on the Web Based Application as per the details given in the Energy Injection Report (EIR issued by the SLDC / Recommendation of SERC for issuance of RECs) and shall also submit the same information in physical form with the Central Agency. The online application shall be acceptable by the Central Agency only if complete in all respect. The physical application for issuance of certificate shall include (i) Energy Injection Report (EIR) for RE projects /Recommendation of SERC for issuance of RECs for distribution licensee, and shall be made in the specified format (FORMAT-3.1: “Application for Issuance of Renewable Energy Certificates to the Eligible Entities”/FORMAT-3.1.1 for distribution licensee) (ii) Print out of online application duly signed and stamped by Authorized Signatory (iii) Commissioning Certificate for RE Generator, only for issuance for the first month after registration. The application shall be accompanied with the details of payment of the applicable fee & charges towards issuance of certificates as determined by CERC from time to time. While making application for issuance of RECs, the Applicant (Eligible Entity) shall quote the unique Registration Number assigned to it by Central Agency at the time of registration.*

*3.2. Step - 2: After receipt of physical application for issuance of renewable energy certificates from the Eligible Entity, the Central Agency shall undertake a preliminary scrutiny within 6 working days to ensure that the Application Form is complete in all respect along with necessary documents and applicable fees and charges. As part of preliminary scrutiny, the Central Agency shall satisfy that the following conditions are fulfilled by the RE generators or distribution licensee, as the case may be: a) The application is made in the format specified by the Central Agency from time to time. b) The status of Accreditation of the Eligible Entity with the State Agency has not expired. The status of Registration of the Eligible Entity with the Central Agency has not expired. c) The duly certified EIR/ Recommendation of SERC for issuance of RECs is attached for*



*the same period for which application is made towards issuance of Renewable Energy Certificate by the Eligible Entity. d) The application is accompanied with fees & charges.*

*3.3. Step - 3: After conducting the preliminary scrutiny, the Central Agency shall intimate in writing to the Applicant for submission of any further information or clarification, if necessary, to further consider the application for issuance of Renewable Energy Certificates or reject the application.*

*3.4. Step - 4: While considering any application for issuance of Renewable Energy Certificate, the Central Agency shall verify and ascertain availability of following information: a) Verification of the time period for which the Central Agency may have already issued Renewable Energy Certificates to the concerned Eligible Entity. b) Verification of Renewable Energy Certificates claimed by the Eligible Entity from the duly certified Energy Injection Reports by the concerned State Load Despatch Centre in respect of concerned Eligible Entity. c) Details of fee & charges made for issuance of certificates. d) Confirmation of Compliance Auditor report, if any.*

*3.5. Step - 5: The Central Agency shall issue Renewable Energy Certificates to the Eligible Entity only after confirming, the claims made by the Eligible Entity, with the duly certified EIR forwarded by the SLDC/ Recommendation of SERC for issuance of RECs. In case of any discrepancy, in the EIR enclosed by the Eligible Entity along with Application and regular EIR received by Central Agency from concerned State Load Despatch Centre, the information contained in regular EIR furnished by concerned State Load Despatch Centre shall be considered as final and binding for the purpose of issuance of Renewable Energy Certificates.*

*.....”*

13. Further, Regulation 7(2) of the REC Regulations, 2010 provides as under:

***“7. Denomination and issuance of Certificates***

*(1) The eligible entity other than distribution licensee shall apply to the Central Agency for certificates within six months from the corresponding generation from eligible renewable energy projects:*

*Provided that the application for issuance of certificates may be made on 10th, 20th and last day of the month*

*(1A) The eligible distribution licensees shall apply to the Central Agency for Certificates within three months from the date of obtaining the certification, as provided in clause (1A) of the Regulation 5, from the concerned Appropriate Commission*

*(2) The Certificates shall be issued to the eligible entity after the Central Agency duly satisfies itself that all the conditions for issuance of Certificate, as may be stipulated in the detailed procedure, are complied with by the eligible entity:*

*(3) The Certificates shall be issued by the Central Agency within fifteen days from the date of application by the eligible entities.*

*(4) The Certificates shall be issued to the eligible entity on the basis of the units of electricity generated from renewable energy sources and injected into the Grid [or deemed to be injected in case of self-consumption by eligible captive generating plant and duly accounted in the Energy Accounting System as per the Indian Electricity Grid Code or the State Grid Code as the case may be, and the directions of the authorities constituted under the Act to oversee scheduling and dispatch and energy accounting, or based on written communication of distribution licensee to the concerned State Load Dispatch Centre with regard to the energy input by renewable energy generators which are not covered under the existing scheduling and dispatch procedures.]”*

14. From the above, the Commission observes that as per mandate of the REC Regulations, 2010 and the REC Issuance Procedures, the eligible entity has to make Web Based Application for issuance of REC as per the details given in the Energy Injection Report and has to also submit the same information in physical form with the Central Agency (NLDC) within six months. The Central Agency has to verify the application in terms of the Energy Injection Reports issued by the concerned SLDC.
15. The Commission observes that the Petitioner has accepted the delay in submitting the application for issuance of RECs for the period from 01.05.2020 to 29.12.2020. As submitted by the counsels of the Petitioner, the delay was caused due to insolvency of its O&M agent and they were not able to timely apply for the renewal of the accreditation and registration for the project under the REC mechanism and thereafter complete nationwide lockdown was imposed due to COVID-19 situation from 24.03.2020. The Petitioner’s O&M agent could not apply for the extension of the validity of the accreditation/registration. Meanwhile, the Petitioner’s registration expired on 30.04.2020. As the nationwide lockdown was partially lifted, upon resuming work in June 2020, the O&M agent officials applied for the renewal of the accreditation and registration.
16. The Petitioner has prayed for condoning the delay and for directing NLDC to issue RECs for the period 01.05.2020 to 29.12.2020. The Respondent, NLDC has stated that it does not have any objection to the petition filed by the Petitioner and that the Commission may pass an appropriate Order in the matter.

17. In our view, the delay in the application for issuance of REC is procedural in nature due to the reasons stated by the Petitioner and condoning the delay is not going to prejudice any of the stakeholders, including the Respondent. Accordingly, we hereby condone the delay in submitting the application for issuance of RECs. Further, NLDC is directed to issue the RECs after due verification and satisfying itself that the projects meet all conditions and the Petitioners have submitted all required documents for issuance of RECs.

18. The Petition No. 226/MP/2022 is disposed in terms of the above.

Sd/-  
(पी. के. सिंह)  
सदस्य

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(अरुण गोयल)  
सदस्य

Sd/-  
(आई. एस. झा)  
सदस्य