Greenko Energies Private Limited
CIN: U40109TG2000FTC034990

To,

20.11.2025

The Secretary,
Central Electricity Regulatory Commission
6th, 7th & 8th Floor, Tower B, World Trade Centre,
Nauroji Nagar, New Delhi-110029

Subject: Submission of comments/suggestions/ objections on behalf of M/s Greenko Energies Private Limited on the proposal of Hon'ble CERC's specifying the Buyout price for FY 2024-25 at Rs. 245/MWh and for subsequent financial year at 105% of the weighted average REC price of that financial year.

Reference: i) Proposal dated 22.10.2025 by Hon'ble CERC regarding the determination of the Buyout Price as an alternate compliance mechanism towards the fulfilment of Renewable Consumption Obligation (RCO) in Petition No. 12/SM/2025 (Suo Moto).

Respected Sir,

This Hon'ble Commission, vide its Suo Moto order dated 22.10.2025 in Petition No. 12/SM/2025 (Suo-Moto), has issued a proposal for determination of the Buyout Price as an alternate compliance mechanism towards fulfilment of Renewable Consumption Obligation (RCO). Through this proposal, the Hon'ble Commission has suggested fixing the buyout price for the FY 2024-25 at Rs. 245/MWh which is 5% above the weighted average REC price for FY 2024-25.

To give a brief background, the Ministry of Power, Government of India, through its notification dated 27.09.2025 has specified the minimum share of the energy consumption from renewable sources for designated energy, consumers namely electricity distribution licensees, open access consumers and captive users. The Ministry of Power also outlined three permissible methods for fulfilment of the specified Renewable Consumption Obligation (RCO) by the designated Consumers. One of the methods to fulfil the above-mentioned Renewable Consumption Obligation (RCO) is by payment of the buyout price specified by this Hon'ble Commission.

In furtherance, we would like to submit few suggestions to be considered by this Hon'ble Commission:

Comment/Suggestion

1. **Buyout Price:** The currently proposed buyout price of Rs. 245/MWh for FY 2024-25 decided by Hon'ble CERC is significantly lower.
   The CERC should consider average premium for green power in GDAM (Rs. 0.49/unit) as compared to Day ahead Market (DAM). It is suggested that the buyout price can be 1.5 times of the average REC price for the year.

2. **Fix Buyout price after the compliance period:** In addition to the above, it is suggested that CERC should finalize the buyout price only after the compliance period so that the decision is based on actual market data, ensuring fairness and accuracy.

3. **Usage Cap**: It is further suggested that a cap should be imposed so that the obligated entities can meet only up to 20% of their Renewable Consumption Obligation (RCO) through buyout. This prevents over reliance on buyout and encourages actual renewable procurement.

4. **Proof of failed REC/RE procurement**: Before permitting the buyout, the entities should require showing the proof of failed/unsuccessful attempts to procure Renewable Energy/ Renewable Energy

Certificates before allowing the buyout.

5. **Penalty**: Since the penalty for non-compliance is Rs. 3.72/unit, the buyout price should be lower than the penalty, but still higher than the REC prices so that the compliance through the buyout option does not become the cheapest preferred option.

Requesting this Hon'ble Commission to kindly consider these comments/suggestions before finalizing the above mentioned.

Best Regards,

Harsha Manav
Deputy Manager (Regulatory),
(+91)(8469804494)
email id : harsha.m@greenkogroup.com