Tata Power Comments on Determination of the Buyout Price as an alternate compliance mechanism towards fulfilment of RCO

S.No	Para	Comments
1.	*6. ...It is only when either of **these two options is exhausted** that the Designated Consumers should lean on the third option for RCO Compliance.*	The proposal needs to specify details on how it shall be ascertained **if the first two options are actually exhausted.** Proper prudence check needs to be done and the buy-out price should be fixed in such a manner to **ensure that the buy-out mechanism is exercised only as a last resort to meet the RCO compliance and obligated entities do not defer their REC purchase just to have certain cost advantage,** especially in a downward price trend.
2.	*11. The buyout price for a financial year shall be fixed at 105% of the weighted average REC Price of that financial year.*	It is suggested to include, that the SERCs shall **mandatorily adopt the buy-out mechanism** and if the same is exercised by the DISCOM, **the buy-out price shall be passed on in the tariff.**