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Besides, at certain times, GUVNL was bound to scrap some tenders and undertake re-tendering process on account of reasons viz. discovery of higher tariffs, low participation / bid-submission by single bidder, requirement of modifying tender conditions in the interest of Bidders' participation & competition, etc.



- Hon'ble Commission is humbly requested to recognize that GUVNL has been making all possible efforts exercising commercial prudence towards RE Promotion and compliance of RPO Obligation.

2.9 As enumerated herein above, it is to humbly submit that the cumulative effect of (i) Constraints in availability of renewable energy / Inadequate capacity addition (ii) Actual RE generation below normative generation has resulted into shortfall in compliance for FY 2019-20. Further, it is to submit that the reasons for shortfall in RPO were beyond the control of GUVNL / Distribution Companies and are not attributable to GUVNL / Distribution Companies since there has been no willful default or failure on the part of GUVNL / Distribution Companies for compliance of RPO for FY 2019-20.

2.10 It is to humbly submit that the Regulation 4.2 of GERC (Procurement of Energy from Renewable Sources), Regulations, 2010 provides for revising the targets of RPO in case of supply constraints or factors beyond control of concerned distribution licensee. Under the RPO Regulations, Hon'ble Commission has inherent power to give relaxation as may be deemed necessary in the scenario of RE supply constrains or other factors not attributable to concerned distribution licensee.

2.11 It is also to humbly submit that Hon'ble Appellate Tribunal has held that the State Commission can revise the RPO before or during a year or after passing of year under Regulation 4.2 of RPO Regulations ensuring that such revision does not defeat the object of the Electricity Act and the Regulations.



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2.12 It is to further submit that Hon'ble Appellate Tribunal has held that the State Commission is empowered to revise the RPO Targets specified under Regulations due to inadequate Renewable Capacity Addition in the State and reasons beyond control of Distribution Licensee irrespective of the fact that whether Renewable Energy Certificate (RECs) are available or not.

The relevant extract from APTEL's Judgment is reproduced herein below:-

Judgment dated 25.04.2014 in Appeal No. 24 of 2013

51. We want to add that non-availability of REC may not always be a pre-condition for exercise of power to revise under Regulation 4.2. For Example, if the distribution licensees had tied up adequate capacity at preferential tariff but due to actual generation being lower than the normative generation due to reasons beyond the control of the distribution licensee or there is natural calamity in the State and energy consumption in the State has gone down or renewable energy generation in the State has been affected due to natural calamity then shortage of REC may not be a pre-condition to revise RPO targets set up under Regulation 4.1. Further, if in a resource rich State the State Commission has set up RPO targets keeping in view anticipation of capacity addition in the State, the State Commission may also revise the targets due to inadequate capacity addition in the State due to reasons beyond the control of the distribution licensee.

2.13 It is also to humbly submit that Hon'ble Commission in their various Orders have acknowledged the fact that purchase of RECs by Distribution Licensees / Obligated Entities needs to be considered keeping in view various factors and its impact on the consumer tariff. Hon'ble Commission has rightly acknowledged that unnecessary purchase of RECs results in increase in the cost of power purchase of the Obligated Entities without any increase in the physical component of electricity purchased and leads to financial burden on the end consumers of the State.

