

- Discoms takes the entire risk of purchase of RE power. It may or may not be 100 % consumed as consumption depends upon the demand of the consumers. In such cases, Discoms have to pay the liability as per PPA and also pay compensation in case of curtailment etc.
- Open access consumers and the CPP self-consume electricity and the choice to buy such Renewable electricity is for their own consumption. Such consumers buy RE power beyond the RPO if it is cost effective to them as compared to the other sources of energy. Thus, they donot bear any risk. Hence the additional benefit of REC need not be given.

Or,

- 2) Option 2: RECs can be issued to the obligated entities which purchase RE Power beyond their RPO compliance, similar to the provisions for the existing DISCOMs. This will incentivise the Obligated Entities to not only achieve RPO but also go beyond the RPO level. This would facilitate and promote REC market as well.
- 3) Stakeholders views are solicited on the above two options

#### 5.5 No REC to be issued to the beneficiary of the concessional charges or waiver of any other charges

As a general principle, One who gets any concession i.e. waiver of transmission charges or preferential banking charges etc should not be given the REC.

Any waiver or any preferential or concessional charges, if it is being availed by the seller, then REC should not be given. The FOR may define concessional charges for denying the RECs

5.6 The role of trader can be enhanced in the REC trading which will bring in two key advantages i.e. it will give long-term visibility to the buyers of the REC and they can easily fulfil the RPO. Further, the small buyers can bank on the traders for buying REC as an ease of purchase. This will ensure even the small buyers who finds difficulty in trading in REC market will be able to fulfil his RPO. Trade in REC will be in addition to trade in Power Exchange. Also CERC will have oversight over traders to prevent any abuse of market power.

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## Trend of Floor and Forbearance Price of Solar & Non-Solar RECs under REC Mechanism

<b>Non-solar REC</b>				
Period	01.06.2010 – 31.03.2012	01.04.2012 – 31.03.2017	01.04.2017 – 30.06.2020	w.e.f. 01.07.2020 (sub judice)
Forbearance Price (₹/MWh)	3,900	3,300	3,000	1,000
Floor Price (₹/MWh)	1,500	1,500	1,000	0

<b>Solar RECs</b>					
Period	01.06.2010 – 31.03.2012	01.04.2012 – 31.12.2014	01.01.2015 – 31.03.2017	01.04.2017 – 30.06.2020	w.e.f. 01.07.2020 (sub judice)
Forbearance Price (₹/MWh)	17,000	13,400	5,800	2,400	1,000
Floor Price (₹/MWh)	12,000	9,300	3,500	1,000	0

\*Vintage multiplier factor of 2.66 for Solar Generators which were registered prior to January 1, 2015