



Rajasthan Electricity Regulatory Commission

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PUBLIC NOTICE

In exercise of powers conferred under Section 86(1)(e) read with Section 181 of the Electricity Act, 2003, and all other powers enabling it in this behalf, the Rajasthan Electricity Regulatory Commission having framed the following Draft Regulations, invites suggestions/comments from the interested persons before finalizing them.

RERC (Renewable Energy Obligation) (Seventh Amendment) Regulations, 2021.

Notice is hereby issued inviting comments/suggestions on the above Draft Regulations from interested persons. The copy of the Draft Regulations may be obtained from the Receiving Officer of the Commission on payment of Rs. 100/-. The Draft Regulations are also available on Commission's website www.erc.rajasthan.gov.in.

The comments/suggestions if any should reach the Receiving Officer of the Commission in six copies on or before 23.09.2021.

Secretary

(Not to be published)

Secretary



राजस्थान विद्युत विनियामक आयोग

विद्युत विनियामक भवन, स्टेट मोटर गेरेज के पास, सहकार मार्ग, जयपुर-302001

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सार्वजनिक सूचना

विद्युत अधिनियम, 2003 (2003 सं. 36,) की धारा 86 (1)(e) सहपठित धारा 181 एवं अन्य सभी प्रावधान जो इस संदर्भ में इसे सामर्थ्य प्रदान करते हैं, के अंतर्गत राजस्थान विद्युत विनियामक आयोग द्वारा प्रारूप विनियम बनाये गये हैं। इनको अंतिम रूप देने से पूर्व आयोग द्वारा सभी इच्छुक व्यक्तियों से सुझाव/टिप्पणियां आमंत्रित की जाती हैं:

राजस्थान विद्युत विनियामक आयोग (अक्षय उर्जा बाध्यता) (सातवाँ संशोधन) विनियम, 2021.

एतद्वारा उपरोक्त वर्णित प्रारूप विनियमों की सूचना जारी कर इच्छुक व्यक्तियों से सुझाव/टिप्पणियाँ आमन्त्रित किये जाते हैं। प्रारूप विनियम मय समर्थन विवरण की प्रतिलिपी आयोग के प्राप्तकर्ता अधिकारी के पास उपलब्ध है जिसे रू 100 का नकद भुगतान कर प्राप्त किया जा सकता है। प्रस्तावित विनियम मय समर्थक विवरण आयोग की वेबसाईट www.erc.rajasthan.gov.in पर भी उपलब्ध हैं।

यदि कोई व्यक्ति सुझाव/टिप्पणियाँ देना चाहे तो आयोग के प्राप्तकर्ता अधिकारी को दिनांक 23.09.2021 तक या इससे पूर्व छः प्रतियों में प्रस्तुत कर सकता है।

सचिव

(Not to be published)

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RAJASTHAN ELECTRICITY REGULATORY COMMISSION

Notification (DRAFT)

August xxxx, 2021

No. RERC/Secy./Reg./xxxx

In exercise of the power conferred under the Sections 86(1)(e) and 181 of the Electricity Act, 2003 and all other powers enabling it in this behalf, and after previous publication, the Rajasthan Electricity Regulatory Commission hereby makes the following Regulations to amend the Rajasthan Electricity Regulatory Commission (Renewable Energy Obligation) Regulations, 2007 (hereinafter referred to as "the Principal Regulations"), namely:

1. Short title, commencement, and extent of application:

- (1) These Regulations may be called the Rajasthan Electricity Regulatory Commission (Renewable Energy Obligation) (Seventh Amendment) Regulations, 2021.
- (2) These Regulations shall come into force from the date of their publication in the Official Gazette.
- (3) These Regulations shall apply throughout the State of Rajasthan.

2. Amendment in Regulation 4 of the Principal Regulations:

- (1) The entries at s.no. 4, 5 & 6 for the FY 2021-22, 2022-23 & 2023-24 shall be substituted in the existing table appearing under the heading (A) of sub-regulation (2):

S.No.	Year	Obligation expressed as percentage of energy consumption (%) excluding consumption met from hydro sources of power.		
		Non-solar	Solar	Total
4	2021-22	9.98%	8.50%	18.48%
5	2022-23	10.45%	9.50%	19.95%
6	2023-24	11.16%	10.50%	21.66%

Further, the following proviso shall also be added:

"Provided that:

- a) *Hydro power Purchase Obligation (HPO) shall be met from the power procured from eligible large hydro power projects including pump storage projects having capacity more than 25 MW (LHPs) commissioned on and after 08.03.2019 and upto 31.03.2030 in respect of 70% of the total generated capacity for a period of 12 years from the date of commissioning. Free power to be provided as per the agreement with the State Government and that provided for Local Area Development Fund (LADF), shall not be included within this limit of 70% of the total generated capacity.*
 - b) *HPO liability of the State/Discom could be met out of the free power being provided to the State from LHPs commissioned after 08.03.2019 as per agreement at that point of time excluding the contribution towards Local Area Development Fund (LADF) if consumed within the State/Discoms. Free power (not that contributed for Local Area Development) only to the extent of HPO liability of the State/Discom shall be eligible for HPO benefit.*
 - c) *Hydro power imported from outside India shall not be considered for meeting HPO.*
 - d) *On achievement of Solar RPO compliance to the extent of 80% and above, remaining shortfall, if any, can be met by excess non-solar energy consumed beyond specified Non-Solar RPO for that particular year. Similarly, on achievement of other Non-Solar RPO compliance to the extent of 80% and above, remaining shortfall if any, can be met by excess solar or eligible hydro energy consumed beyond specified Solar RPO or HPO for that particular year. Further, on achievement of HPO compliance to the extent of 80% and above, remaining shortfall, if any, can be met by excess solar or other non-solar energy consumed beyond specified Solar RPO or Other Non-Solar RPO for that particular year."*
- (2) The entries at s.no. 4, 5 & 6 for the FY 2021-22, 2022-23 & 2023-24 shall be substituted in the existing table appearing under the heading (B) of sub-regulation (2):

S.No.	Year	Obligation expressed as percentage of energy consumption (%) excluding consumption met from hydro sources of power
4	2021-22	18.48%
5	2022-23	19.95%
6	2023-24	21.66%

Further the following proviso shall also be added:

"Provided that:

- a) *Hydro power Purchase Obligation (HPO) shall be met from the power procured from eligible large hydro power projects including pump storage projects having capacity more than 25 MW (LHPs) commissioned on and after 08.03.2019 and upto 31.03.2030 in respect of 70% of the total generated capacity for a period of 12 years from the date of commissioning. Free power to be provided as per the agreement with the State Government and that provided for Local Area Development Fund (LADF), shall not be included within this limit of 70% of the total generated capacity.*
- b) *HPO liability of the State/Discom could be met out of the free power being provided to the State from LHPs commissioned after 08.03.2019 as per agreement at that point of time excluding the contribution towards Local Area Development Fund (LADF) if consumed within the State. Free power (not that contributed for Local Area Development) only to the extent of HPO liability of the State/Discom shall be eligible for HPO benefit.*
- c) *Hydro power imported from outside India shall not be considered for meeting HPO.*
- d) *On achievement of Solar RPO compliance to the extent of 80% and above, remaining shortfall, if any, can be met by excess non-solar energy consumed beyond specified Non-Solar RPO for that particular year. Similarly, on achievement of other Non-Solar RPO compliance to the extent of 80% and above, remaining shortfall if any, can be met by excess solar or eligible hydro energy consumed beyond specified Solar RPO or HPO for that particular year. Further, on achievement of HPO compliance to the extent of 80% and above, remaining shortfall, if any, can be met by excess solar or other non- solar energy consumed beyond specified Solar RPO or Other Non-Solar RPO for that particular year."*

- (3) The entries at s.no. 4,5 & 6 for the Year 2021-22,2022-23 & 2023-24 of the existing table under sub-regulation (3) shall be substituted as under:

S.No.	Year	Obligation expressed as percentage of energy consumption (%) excluding consumption met from hydro sources of power.				
		Non-solar			Solar	Total
		Wind	Biomass	HPO		
4	2021-22	8.90%	0.90%	0.18%	8.50%	18.48%
5	2022-23	9.10%	1.00%	0.35%	9.50%	19.95%
6	2023-24	9.40%	1.10%	0.66%	10.50%	21.66%

Further, the following proviso shall also be added:

"Provided that:

- a) *Hydro Power Purchase Obligation (HPO) shall be met from the power procured from eligible large hydro power projects including pump storage projects having capacity more than 25 MW (LHPs) commissioned on and after 08.03.2019 and upto 31.03.2030 in respect of 70% of the total generated capacity for a period of 12 years from the date of commissioning. Free power to be provided as per the agreement with the State Government and that provided for Local Area Development Fund (LADF), shall not be included within this limit of 70% of the total generated capacity.*
- b) *HPO liability of the State/Discom could be met out of the free power being provided to the State from LHPs commissioned after 08.03.2019 as per agreement at that point of time excluding the contribution towards Local Area Development Fund (LADF) if consumed within the State/Discom. Free power (not that contributed for Local Area Development) only to the extent of HPO liability of the State/Discom shall be eligible for HPO benefit.*
- c) *Hydro power imported from outside India shall not be considered for meeting HPO.*
- d) *On achievement of Solar RPO compliance to the extent of 80% and above, remaining shortfall, if any, can be met by excess non-solar energy consumed beyond specified Non-Solar RPO for that particular year. Similarly, on achievement of other Non-Solar RPO compliance to the extent of 80% and above, remaining*

shortfall if any, can be met by excess solar or eligible hydro energy consumed beyond specified Solar RPO or HPO for that particular year. Further, on achievement of HPO compliance to the extent of 80% and above, remaining shortfall, if any, can be met by excess solar or other non- solar energy consumed beyond specified Solar RPO or Other Non-Solar RPO for that particular year."

By Order of the Commission

Secretary

RAJASTHAN ELECTRICITY REGULATORY COMMISSION

JAIPUR

Draft Rajasthan Electricity Regulatory Commission (Renewable Energy Obligation) (Seventh Amendment) Regulations, 2021.

Explanatory Memorandum

1. Commission, in exercise of its power conferred under the Section 86(1)(e) read with Section 181 of the Electricity Act, 2003 framed the RERC (Renewable Energy Obligation) Regulations, 2007 on 23.03.2007.
2. In exercise of power conferred under Section 3(3) of the Electricity Act, 2003, the Central Government notified the revised Tariff Policy on dated 28.01.2016.
3. Para 6.4(1) of the Tariff Policy provides that pursuant to provisions of Section 86(1) (e) of the Act, the Appropriate Commission shall fix a minimum percentage of the total consumption of electricity in the area of a distribution licensee for purchase of energy from renewable energy sources, taking into account availability of such resources and its impact on retail tariffs. Cost of purchase of renewable energy shall be taken into account while determining tariff by SERCs. Long-term growth trajectory of Renewable Purchase Obligations (RPOs) will be prescribed by the Ministry of Power in consultation with MNRE.
4. Ministry of Power (MoP), Government of India vide office memorandum No. 15/02/2016-H-1(Pt) dated 08.03.2019 has issued various policy measures to promote hydro power sector in India, intra-alia, declared Large Hydropower Projects [(LHPs)(i.e., > 25 MW projects) as Renewable Energy Sources. As per the aforesaid office memorandum, the Hydropower Purchase Obligation (HPO) is notified as a separate entity within Non-Solar Renewable Purchase Obligation (RPO). The HPO shall cover the LHPs commissioned after issue of the

aforesaid office memorandum., 08.03.2019 as well as the untied capacity (i.e., without PPA) of the commissioned projects.

5. In addition, the following Tariff rationalization measures for bringing down hydropower tariff which include providing flexibility to the developers to determine tariff by back loading of tariff after increasing project life to 40 years, increasing debt repayment period to 18 years, and introducing escalating tariff of 2% for bringing down hydropower tariff. In addition, the budgetary support for funding flood moderation component for storage HEPs to be set up in future on a case-to-case basis. In principle approval is also accorded for providing budgetary support for funding enabling infrastructure for hydropower projects, i.e., roads/bridges limited to Rs 1.5 Crore per MW for projects upto 200 MW and Rs 1.0 Crore per MW for projects above 200 MW.

6. Subsequently, MOP vide order 23/ 03/2016-R&R dated 29.01.2021 has issued the RPO trajectory including HPO mentioning that the SERCs may consider to notify the said RPO trajectory for their respective States. MOP vide its aforesaid order has also declared Large Hydro Power Projects (LHPs) including pump storage projects having capacity of more than 25 MW which comes into commercial operation after 08.03.2019, as Renewable Energy source and has prescribed the Hydropower Purchase Obligation (HPO) within the Non-Solar RPO as under:

Year	Solar RPO	Non-Solar RPO			Total RPO
		HPO	Other Non- Solar RPO	Total Non-Solar RPO	
2019-20	7.25%	-	10.25%	10.25%	17.50%
2020-21	8.75%	-	10.25%	10.25%	19.00%
2021-22	10.50%	0.18%	10.50%	10.68%	21.18%
2022-23	To be specified later	0.35%	To be specified later	To be specified later	To be specified later
2023-24		0.66%			
2024-25		1.08%			
2025-26		1.48%			
2026-27		1.80%			
2027-28		2.15%			
2028-29		2.51%			
2029-30		2.82%			

Ministry of Power in the said letter has requested that SERCs may consider notifying RPO trajectory including HPO in line with the above-mentioned trajectory.

7. RUVNL has intimated that the anticipated Hydro Power capacity addition till 2023 will be 278.60 MW and Rajasthan Discoms will have surplus tied up capacity to meet HPO fulfillment. Presently, Commission has specified the RPO trajectory upto 2023-24 as elaborated below.
8. The Commission vide its Fifth Amendment in the RPO Regulations has specified the RPO targets upto FY 2023-24 for the Discoms as under:

S.No.	Year	Obligation expressed as percentage of energy consumption (%) excluding consumption met from hydro sources of power.			
		Non-solar		Solar	Total
		Wind	Biomass		
1	2018-19 (revised)	8.00%	0.60%	4.75%	13.35%
2	2019-20	8.30%	0.70%	6.00%	15.00%
3	2020-21	8.60%	0.80%	7.25%	16.65%
4	2021-22	8.90%	0.90%	8.50%	18.30%
5	2022-23	9.10%	1.00%	9.50%	19.60%
6	2023-24	9.40%	1.10%	10.50%	21.00%

9. Commission observed that several other SERCs such as Uttar Pradesh SERC, Punjab SERC, Haryana SERC, Himachal Pradesh SERC, Chhattisgarh SERC have also incorporated HPO in their RPO Regulations where most of the SERCs have adopted the HPO trajectory prescribed by MoP.
10. In view of the above, to encourage the hydropower, Commission considers it appropriate to specify HPO notified as a separate entity within Non-Solar Renewable Purchase Obligation (RPO). Accordingly, the Commission proposes to amend the Rajasthan Electricity Regulatory Commission

(Renewable Energy Obligation) Regulations, 2007 for specification of HPO trajectory in line with MoP letter dated 29.01.2021 upto FY 2023-24. In the proposed Amendment, Commission considers it appropriate to suitably adopt the HPO trajectory prescribed by MoP upto FY 2023-24. Accordingly, the Draft Amendment Regulations have been prepared.

11. The Draft Rajasthan Electricity Regulatory Commission (Renewable Energy Obligation) (Seventh Amendment) Regulations, 2021 incorporating the proposed Amendment are enclosed herewith. Comments/suggestions are invited from the interested persons on the proposed Amendment Regulations.

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