

(iii) Any shortfall in procurement against the non-solar or solar power procurement obligation set by APERC in the previous three years, including the shortfall waived or carried forward shall be adjusted first and only the remaining additional procurement beyond the threshold renewable purchase obligation-being that specified by the APERC or in the National Action Plan for climate change or in the tariff policy, whichever is higher shall be considered for issuance of RECs to the distribution licensees

**FY 2019-20:**

7. As per the above criteria laid down by the Hon'ble APTEL for recommending RECs to APSPDCL for FY 2019-20, Relevant year/performance year is FY 2019-20 and previous year to relevant year is FY 2018-19, and previous three years to the relevant year are FY 2018-19, FY 2017-18 and FY 2016-17, and the applicant for RECs shall satisfy the following:

- i. Procurement of RE by APSPDCL in FY 2018-19 shall be more than the target set by MoP since it is higher than the target set by the APERC.
- ii. The renewable purchase obligation specified for FY 2019-20 by the Andhra Pradesh Electricity Regulatory Commission shall not be not lower than that for FY 2018-19.
- iii. Any shortfall in procurement against the non-solar or solar power procurement obligation set by APERC in the previous three years FY 2018-19, FY 2017-18, and FY 2016-17 shall be adjusted first and only the remaining additional procurement beyond the RPO set by MoP since it is higher than the RPO target set by APERC which shall be considered for RECs for FY 2019-20.

In order to verify whether APSPDCL justified the above criteria, we examined the figures in the following tables:

**RPO Targets specified by MoP and APERC:**

Year	2019-20		2018-19		2017-18		2016-17	
	MoP	APERC	MoP	APERC	MoP	APERC	MoP	APERC
Non Solar	10.25%	8%	10.25%	7%	9.5%	6%	8.75%	4.75%%
Solar	7.25%	5%	6.75%	4%	4.75%	3%	2.75%	0.25%%
Total	<b>17.50%</b>	<b>13%</b>	<b>17.00%</b>	<b>11%</b>	<b>14.25%</b>	<b>9%</b>	<b>11.50%</b>	<b>5%</b>

**RE procurement Details:**

Sl.no	Details	Solar RE (MWH)	Non-Solar RE (MWH)
1	RE to be procured by APSPDCL as per the MoP target for FY 2019-20 (MoP target is higher than SERC target)	2598859 (35846334 X 7.25%)	3674249 (35846334 X 10.25%)
2	RE procured by APSPDCL in relevant year (FY 2019-20)	4580413	5566415
3	<b>Excess of RE Energy procured for FY 2019-20 (2-1) to be considered for RECs</b>	<b>1981554</b>	<b>1892166</b>
4	RE to be procured by APSPDCL as per the MoP target for FY 2018-19 (MoP target is higher than SERC target)	2437188 (36106483 X 6.75 %)	3700915 (36106483 X 10.25 %)
5	RE procured by APSPDCL during FY 2018-19	4398018	7736191
6	<b>Excess of RE Energy procured during FY 2018-19 (5-4)</b>	<b>1960830</b>	<b>4035276</b>
7	RE to be procured by APSPDCL as per this Commission target for FY 2017-18	974074 (32469148 X 3%)	1948149 (32469148 X 6%)
8	RE procured by APSPDCL during FY 2017-18	2003299	4208604
9	<b>Excess of RE Energy procured during FY 2017-18 (8-7)</b>	<b>1029225</b>	<b>2260455</b>
10	RE to be procured by APSPDCL as per this Commission target for FY 2016-17	80274 (32109453 X 0.25%)	1525199 (32109453 X 4.75%)
11	RE procured by APSPDCL during Financial Year FY 2016-17	893590	3230444
12	<b>Excess of RE Energy procured during FY 2016-17 (11-10)</b>	<b>813316</b>	<b>1705245</b>

\* Decimals are rounded off to the nearest digit.

As could be seen from the above tables, APSPDCL has procured RE in excess of the highest target among APERC and MoP in relevant year FY 2019-20 and previous year of relevant year FY 2018-19, and also there is no shortfall in RE procurement in three previous years of relevant year against the target RPO specified by this Commission,

and hence no adjustment is required for excess RE to be considered for RECs for FY 2019-20. The RPO target set by this Commission for the relevant year FY 2019-20 is not less than the previous year FY 2018-19.

**FY 2020-21:**

8. Similarly, for FY 2020-21, Relevant year/performance year is FY 2020-21 and previous year to relevant year is FY 2019-20, and previous three years to the relevant year are FY 2019-20, FY 2018-19 and FY 2017-18. The applicant shall satisfy the following:

- iv. Procurement of RE by APSPDCL in FY 2019-20 shall be more than the target set by MoP since it is higher than the target set by the APERC.
- v. The renewable purchase obligation specified for FY 2020-21 by the Andhra Pradesh Electricity Regulatory Commission shall not be not lower than that for FY 2019-20.
- vi. Any shortfall in procurement against the non-solar or solar power procurement obligation set by APERC in the previous three years FY 2019-20, FY 2018-19, and FY 2017-18 shall be adjusted first and only the remaining additional procurement beyond the RPO set by MoP since it is higher than the RPO target set by APERC shall be considered for RECs for FY 2019-20.

In order to verify whether APSPDCL justified the above criteria, we examined the figures in the following tables:

**RPO Targets specified by MoP and APERC:**

Year	2020-21		2019-20		2018-19		2017-18	
	MoP	APERC	MoP	APERC	MoP	APERC	MoP	APERC
Non Solar	10.25%	9%	10.25%	8%	10.25%	7%	9.5%	6%
Solar	8.8%	6%	7.25%	5%	6.75%	4%	4.75%	3%
<b>Total</b>	<b>19.0%</b>	<b>15%</b>	<b>17.50%</b>	<b>13%</b>	<b>17.00%</b>	<b>11%</b>	<b>14.25%</b>	<b>9%</b>

**RE procurement details:**

Sl.no	Details	Solar RE (MWH)	Non-Solar RE (MWH)
1	RE to be procured by APSPDCL as per the MoP target for FY 2020-21 (MoP target is higher than SERC target)	1913829 (21872328 X 8.75%)	2241914 (21872328 X10.25%)
2	RE procured by APSPDCL in relevant year (FY 2020-21)	4198856	3067242
3	<b>Excess of RE Energy procured for FY 2020-21 (2-1) to be considered for RECs</b>	<b>2285027</b>	<b>825328</b>
4	RE to be procured by APSPDCL as per the MoP target for FY 2019-20 (MoP target is higher than SERC target)	2598859 (35846334 X 7.25%)	3674249 (35846334 x 10.25% )
5	RE procured by APSPDCL during FY 2019-20	4580413	5566415
6	<b>Excess of RE Energy procured during FY 2019-20 (5-4)</b>	<b>1981554</b>	<b>1892166</b>
7	RE to be procured by APSPDCL as per this Commission target for FY 2018-19	1444259 (36106483 X 4%)	2527454 (36106483 X 7%)
8	RE procured by APSPDCL during FY 2018-19	4398018	7736191
9	<b>Excess of RE Energy procured during FY 2018-19 (8-7)</b>	<b>2953759</b>	<b>5208737</b>
10	RE to be procured by APSPDCL as per this Commission target for FY 2017-18	974074 (32469148 X 3%)	1948149 (32469148 X 6%)
11	RE procured by APSPDCL during Financial Year FY 2017-18	2003299	4208604
12	<b>Excess of RE Energy procured during FY 2017-18 (11-10)</b>	<b>1029225</b>	<b>2260455</b>

\* Decimals are rounded off to the nearest digit.

As could be seen from the above tables, APSPDCL has procured RE in excess of the highest target among APERC and MoP in relevant year FY 2020-21 and previous year of relevant year FY 2019-20. Also there is no shortfall in RE procurement in three previous years of relevant year against the target RPO specified by this Commission,

and hence no adjustment is required for excess RE to be considered for RECs for FY 2020-21. The RPO target set by this Commission for the relevant year FY 2020-21 is not less than the previous year FY 2019-20.

9. As detailed above, we are satisfied that the petitioner has procured the RE in compliance with the observations of the Hon'ble APTEL and CERC regulations (supra), and thus the petitioner is entitled for the recommendation of RECs for FY 2019-20 and FY 2020-21. Further, as submitted by the petitioner, the revocation of the registration by NLDC is only for FY 2018-19, and hence the petitioner is not precluded from redemption of RECs in excess of RPO for the financial years FY 2019-20 and FY 2020-21. Therefore, we are inclined to issue a recommendation in favour of the petitioner for FY 2019-20 and FY 2020-21 in terms of the CERC regulations. Accordingly, the recommendation in the prescribed format is issued and enclosed with this order.
10. The income realised by the sale of RECs by the petitioner will be adjusted in its True-up for Retail Supply Business for the 4<sup>th</sup> control period as the true-up of Power Purchase Cost for Financial Year 2019-20 & 2020-21 has been completed or any ensuing true-up whichever is earlier.
11. Accordingly, the petitions are disposed of.

**Sd/-**  
**Thakur Rama Singh**  
**Member**

**Sd/-**  
**Justice C.V. Nagarjuna Reddy**  
**Chairman**

**Sd/-**  
**P. Rajagopal Reddy**  
**Member**



# ANDHRA PRADESH ELECTRICITY REGULATORY COMMISSION

## FORMAT - 3.1.1

Recommendation by Andhra Pradesh Electricity Regulatory Commission for issuance of RECs for Financial Year 2019-20  
 Name of Distribution Licensee: SOUTHERN POWER DISTRIBUTION COMPANY OF A.P. LIMITED TIRUPATI

It is hereby certified that:

1. Distribution Company has procured renewable energy, in the previous financial year, at a tariff determined under Section 62 or adopted under Section 63 of the Act, in excess of the renewable purchase obligation specified in the National Action Plan on Climate Change/Tariff Policy.
2. The renewable purchase obligation specified for a Financial Year 2019-20 by the Andhra Pradesh Electricity Regulatory Commission is not lower than that for the previous financial year.
3. Shortfall/Excess in procurement against the non-solar or solar power procurement obligation set by the Andhra Pradesh Electricity Regulatory Commission in the previous three years, has been carry forwarded and adjusted first and only the additional procurement beyond the threshold renewable purchase obligation being specified in the National Action Plan on Climate Change / Tariff Policy, which is higher than that specified by the Andhra Pradesh Electricity Regulatory Commission has been considered for issuance of RECs to the distribution licensee.
4. The Distribution Licensee is eligible for Solar RECs and Non-Solar RECs as per the following details:

S No	YEAR	RPO as specified by SERC/NAPCC/Tariff Policy whichever is higher (in % of total energy Consumed) Please tick whichever is applicable (A)		Total Consumption in MWh (B)			RPO in MWh (C=B*A/100)			RE Energy Procured in the Financial Year in MWh (D)		Shortfall in procurement against the RPO set by SERC in previous three years including the shortfall waived or carried forward by SERC in MWh. If applicable then mention the year wise details by adding the separate row for each year (E)		Surplus in MWh (F=D-C-E)		
		Solar	Non-Solar	Solar	Non-Solar	Total	Solar	Non-Solar	Total	Solar	Non-Solar	Solar	Non-Solar	Solar	Non-Solar	
1	FY 2019-20	7.25%	10.25%			35846334.65	2598859.262	3674249.302	6273108.564	4580413.336	5566414.938			1981554.074	1892165.636	
<b>Procurement against the RPO set by SERC in Previous Three Years</b>																
1	FY 2018-19	4%	7%			36106483	1444259.32	2527453.81	3971713.13	4398017.7	7736191.2			2953758.38	5208737.39	
2	FY 2017-18	3%	6%			32469148	974074.44	1948148.88	2922223.32	2003299	4208604			1029224.56	2260455.12	
3	FY 2016-17	0.25%	4.75%			32109453	80273.633	1525199.018	1605472.650	893590	3230444			813316.368	1705244.983	

Issue Date:05.12.2022

  
 Commission Secretary(i/c)



# ANDHRA PRADESH ELECTRICITY REGULATORY COMMISSION

## FORMAT - 3.1.1

Recommendation by Andhra Pradesh Electricity Regulatory Commission for issuance of RECs for Financial Year 2020-21  
Name of Distribution Licensee: SOUTHERN POWER DISTRIBUTION COMPANY OF A.P. LIMITED TIRUPATI

It is hereby certified that:

1. Distribution Company has procured renewable energy, in the previous financial year, at a tariff determined under Section 62 or adopted under Section 63 of the Act, in excess of the renewable purchase obligation specified in the National Action Plan on Climate Change/Tariff Policy.
2. The renewable purchase obligation specified for a Financial Year 2020-21 by the Andhra Pradesh Electricity Regulatory Commission is not lower than that for the previous financial year.
3. Shortfall/Excess in procurement against the non-solar or solar power procurement obligation set by the Andhra Pradesh Electricity Regulatory Commission in the previous three years, has been carry forwarded and adjusted first and only the additional procurement beyond the threshold renewable purchase obligation being specified in the National Action Plan on Climate Change / Tariff Policy, which is higher than that specified by the Andhra Pradesh Electricity Regulatory Commission has been considered for issuance of RECs to the distribution licensee.
4. The Distribution Licensee is eligible for Solar RECs and Non-Solar RECs as per the following details:

S No	YEAR	RPO as specified by SERC/NAPCC/Tariff Policy whichever is higher (in % of total energy Consumed) Please tick whichever is applicable (A)		Total Consumption in MWh (B)			RPO in MWh (C=B*A/100)			RE Energy Procured in the Financial Year in MWh (D)		Shortfall in procurement against the RPO set by SERC in previous three years including the shortfall waived or carried forward by SERC in MWh. If applicable then mention the year wise details by adding the separate row for each year. (E)		Surplus in MWh (F=D-C-E)		
		Solar	Non-Solar	Solar	Non-Solar	Total	Solar	Non-Solar	Total	Solar	Non-Solar	Solar	Non-Solar	Solar	Non-Solar	
1	FY 2020-21	8.75%	10.25%			21872328.54	1913828.747	2241913.675	4155742.423	4198855.591	3067242.309			2285026.844	825328.6335	
<b>Procurement against the RPO set by SERC in Previous Three Years</b>																
1	FY 2019-20	5%	8%			35846334.65	1792316.733	2867706.772	4660023.505	4580413.336	5566414.938			2788096.604	2698708.166	
2	FY 2018-19	4%	7%			36106483	1444259.32	2527453.81	3971713.13	4398017.7	7736191.2			2953758.38	5208737.39	
3	FY 2017-18	3%	6%			32469148	974074.44	1948148.88	2922223.32	2003299	4208604			1029224.56	2260455.12	

Issue Date:05.12.2022

Commission Secretary(i/c)