

ODISHA ELECTRICITY REGULATORY COMMISSION
Procurement of Energy from Renewable Sources and its Compliance - Regulations - 2015
Dated 1st August, 2015

Sl. No.	Description	Summary																								
1.	Short Title and Commencement	<ul style="list-style-type: none"> • OERC (Procurement of Energy from Renewable Sources and its Compliance) Regulations -2015 • Regulations shall extend to the whole of the State of Odisha • Regulations to come into force on the date of publication in the Official Gazette. 																								
2.	Definitions and Interpretation	As per Regulations																								
3.	Scope of Regulations and Extent of Application	<p>Apply to all "Obligated Entities" in the State of Odisha. The Obligated Entities include:</p> <p>(i) Distribution Licensee (or any other entity procuring power on their behalf).</p> <p>(ii) Any person consuming electricity</p> <p style="margin-left: 20px;">(a) generated from conventional Captive Generating Plant having capacity of 1 MW and above for his own use and or</p> <p style="margin-left: 20px;">(b) procured from conventional generation through open access and third party sale.</p>																								
4.	Purchase Obligation from Renewable Sources	<p>(i) Every "Obligated Entity" to meet its RPO target from its own Renewable Sources or procurement of power from other developers of RE sources or by purchase from other licensee or by way of purchase of Renewable Energy Certificate (REC).</p> <p>Provided that procurement of REC issued for renewable energy generation outside/within the State of Odisha shall be considered as an eligible instrument for RPO compliance by Obligated Entities.</p> <p>(ii) Every Obligated Entity shall at least purchase source wise energy from Renewable sources as indicated below:</p> <p>Minimum quantum of electricity to be procured from Renewable Sources by Obligated Entity as percentage of total Consumption in kWh</p> <table border="1" style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th style="text-align: center;">Year</th> <th style="text-align: center;">Solar Sources (%)</th> <th style="text-align: center;">Non Solar Sources (%)</th> <th style="text-align: center;">Total (%)</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">2015-16</td> <td style="text-align: center;">0.50</td> <td style="text-align: center;">2.50</td> <td style="text-align: center;">3.00</td> </tr> <tr> <td style="text-align: center;">2016-17</td> <td style="text-align: center;">1.50</td> <td style="text-align: center;">3.00</td> <td style="text-align: center;">4.50</td> </tr> <tr> <td style="text-align: center;">2017-18</td> <td style="text-align: center;">3.00</td> <td style="text-align: center;">4.50</td> <td style="text-align: center;">7.50</td> </tr> <tr> <td style="text-align: center;">2018-19</td> <td style="text-align: center;">4.50</td> <td style="text-align: center;">5.00</td> <td style="text-align: center;">9.50</td> </tr> <tr> <td style="text-align: center;">2019-20</td> <td style="text-align: center;">5.50</td> <td style="text-align: center;">5.50</td> <td style="text-align: center;">11.00</td> </tr> </tbody> </table> <ul style="list-style-type: none"> • In the event of non-availability of above quantum of power from non-Solar Renewable sources in a particular year, the procurement of additional Solar energy over and above the Solar percentage fixed for that year to be utilized for fulfillment of the total RPO in that year: • In case of Hybrid Sources the Renewable Energy Generated shall be treated as non-Solar irrespective of nature of sources or installed capacity of particular source • Provided that if the RPO for any of the year is not specified by the Commission, the RPO specified for the previous year shall be 	Year	Solar Sources (%)	Non Solar Sources (%)	Total (%)	2015-16	0.50	2.50	3.00	2016-17	1.50	3.00	4.50	2017-18	3.00	4.50	7.50	2018-19	4.50	5.00	9.50	2019-20	5.50	5.50	11.00
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		<p>continued beyond the period till any revision is effected by the Commission in this regard.</p> <ul style="list-style-type: none"> • All purchase from the RE Sources by the Licensees to be made at tariffs determined by the Commission from time to time • Power purchases under the power purchase agreements for the purchase of RE Sources already entered into by the obligated entities and consented to by the Commission shall continue to be made till their present validity, even if the total purchases under such agreements exceed the percentage as specified herein above
5.	Certificates under the Regulations of the Central Commission	<ul style="list-style-type: none"> • Subject to the terms and conditions contained in these Regulations, Certificates issued under the Central Electricity Regulatory Commission (Terms and Conditions for recognition and issuance of Renewable Energy Certificate for Renewable Energy Generation) Regulations, 2010 as amended from time to time shall be the valid instruments for the discharge of the mandatory obligations set out in these Regulations for the obligated entities for purchasing of electricity under RPO and the Obligated Entities to observe the provisions for fulfillment of the RPO under CERC Regulations. • In event of the Obligated Entities fulfilling RPO by purchase of certificates, the obligation to purchase electricity from generation based on Solar as RE source can be fulfilled by purchase of Solar certificates only, and from other than Solar by purchase of non-Solar certificates. • Certificates purchased by the obligated entities from the power exchange in terms of the regulation of the Central Commission to be deposited by the obligated entities with the State Agency in accordance with the detailed procedure issued by the Central Agency. • Commission to determine the 'Average Power Purchase Cost' of the Distribution Licensee concerned on annual basis. The Average Power Purchase Cost determined by the commission shall be required to be paid by the Distribution Licensee (or any entity procuring power on their behalf) when the Distribution Licensee (or any entity procuring power on their behalf) purchases the electrical component of the RE projects registered under the REC scheme notified by CERC
6.	State Agency and its Functions	<ul style="list-style-type: none"> • Commission to designate an agency as the State Agency for accreditation and recommending the Renewable Energy Projects for registration and to undertake functions under these Regulations. • State Agency to function in accordance with the directions issued by the Commission from time to time and act in accordance with the provisions of the CERC (terms and conditions for recognition and issuance of Renewable Energy Certificate for Renewable Energy Generation) Regulations, 2010 as amended from time to time. • If the Commission observes that the State Agency is not able to discharge its functions satisfactorily, it may by general or special order, and by recording reasons in writing, designate any other agency to function as State Agency as it considers appropriate
7.	Distribution Licensee(S) and its Functions	As per Regulations
8.	Functions of Captive User(s) and Open Access Consumer(S)	<ul style="list-style-type: none"> • Quantum of RPO mentioned in Clause 4.2 (point 4(ii) above) of these Regulations to be applicable to Captive user(s) and Open Access consumer(s). • Every Captive user(s) and Open Access consumer(s) to submit necessary details regarding total consumption of electricity and

		<p>purchase of energy from RE Sources for fulfillment of RPO on regular basis to the State Agency.</p> <ul style="list-style-type: none"> • If the Captive user(s).and Open Access consumer(s) are unable to fulfill the criteria of the present Regulations, the shortfall of the targeted quantum to attract penalty as per Clause 9 of these Regulations: • Captive users availing its entire requirement of power from renewable based captive power plants are exempted from applicability of RPO targets and other related conditions as specified • Sale of surplus energy from a RE captive power projects over and above captive consumption to qualify for availing REC.
9.	Consequences of Default	<ul style="list-style-type: none"> • In the event of the Obligated Entities not able to fulfill the RPO as provided in these regulations during any year and also does not purchase the certificates, the Commission may direct the obligated entity to deposit a penalty into a separate fund, to be created and maintained by such State Agency. • In case of genuine difficulty in complying with RPO because of non - availability of certificates, obligated entity can approach Commission to carry forward compliance requirement to the next year • If Commission consents to carry forward compliance requirement, the provision of Clause 9.1 of these Regulations or the provision of Section 142 of the Act shall not be invoked. <p>For more Details refer Regulations</p>
10.	Grid Connectivity	<ul style="list-style-type: none"> • Any person generating electricity from RE Sources, irrespective of installed capacity, shall have open access to any Licensee's transmission/distribution system as the case may be. • On an application, the transmission/distribution licensee to provide interconnection facilities, before COD of the project. • Inter-connection to follow the Grid connectivity Standards of CEA (Technical Standards for connectivity of the Distributed Generation Resources) Regulations, 2013 or State Grid Code as the case may be • Transmission /Distribution Licensee to provide meters and associated facilities at inter-connection point. • Licensees shall be responsible for development of evacuation infrastructure beyond the inter-connection point. • Developer /generating Company to develop evacuation infrastructure from generating facility up to the interconnection point at its own expense. • For installed capacity of less than 1 MW developer to provide evacuation infrastructure up to the inter-connection point • In case of any dispute regarding connectivity with the Grid, Commission decision shall be final. • Communication system, if required by SLDC, between Grid sub-station and generating station to be developed by the developer(s) at its own cost. • Wherever Renewable Energy Sources have already been connected to the State Grid at a voltage level lower than the voltage level specified in these Regulations and wherever such State Grid connection causes any bottleneck in capacity addition or causes avoidable discontinuance of generation or low voltage during peak hours or frequent outage of line or sufficient redundancy, such Grid connection shall be converted into suitable voltage level and cost for such conversion shall be borne by the developer
11.	Appointment of Compliance Auditors	The Commission may appoint compliance Auditors from time to time to inquire into and report on compliance of these Regulations.

Miscellaneous		
12.	Cross-Subsidy Surcharge	<ul style="list-style-type: none"> • Procurement of power through Third Party Sale from RE Sources to be exempted from the cross subsidy surcharge determined by the Commission from time to time. • No Banking facility to be provided for supply (third party sale) through open access. Interface metering system capable of energy accounting for each block of 15 minutes to be provided at both supply as well as drawl point. • For third party sale, energy generation from RE sources in each 15 minute time block to be set off against the captive/ open access user(s) consumption in the same 15 minute time block. • For scheduling Grid Code to be observed.
13.	Inconsistency with other Regulations/ Orders of the Commission	Notwithstanding anything contained in other Regulations / orders of the Commission, this Regulation shall have overriding effect. However, any action already taken before the effective date of this Regulation under any other orders/Regulations of the Commission shall remain valid
14.	Issue of Orders and Practice Directions	Vested with the Commission
15.	Power to remove Difficulties	Vested with the Commission
16.	Power to Relax	Vested with the Commission
17.	Power to Amend	Vested with the Commission
18.	Interpretation	Vested with the Commission
19.	Inherent Power of the Commission	Nothing contained in these Regulations shall limit or otherwise affect the inherent powers of the Commission from adopting a procedure, which is at variance with any of the provisions of these Regulations
20	Repealed	OERC (Renewable Purchase Obligation and its Compliance) Regulations, 2010 is repealed