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Lr. No. APERC/DD/P&PP/F. 513 /D.No. 324/2023

Date: 24-02-2023

Sub: APERC - Regulation 5 of 2022 regarding RENEWABLE POWER PURCHASE OBLIGATION (COMPLIANCE BY PURCHASE OF RENEWABLE ENERGY / RENEWABLE ENERGY CERTIFICATES) - Certain clarifications sought by Nodal agency APSLDC - Clarifications - Issued- Reg.

Ref: Lr.No.CE/SLDC/SE/ERS/EE/RE/DEE/F.RPPO/D.No 205./22, Dt: 15-11-2022

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Vide the reference cited, the APSLDC has requested the Commission, for clarification on certain clauses of Regulation 5 of 2022 of Renewable Power Purchase Obligation (Compliance by Purchase of Renewable Energy / Renewable Energy Certificates) Regulations, 2022) and it is clarified as under.

APSLDC request (i)

As per Clause I(ii), the regulation shall come into force with effect from the date of publication on the official Gazette and the date of publication is 29/09/2022. The Hon'ble commission is requested to communicate the procedure for calculating RPPO of the Obligated Entities for the period from 01-04-2022 to 30-09-2022 (Segregation of energy from 01-09-2022 to 28-09-2022 and from 29-09-2022 to 30-09-2022 is practically not possible) as the Regulation 1 of 2017 was issued for the period up to FY 2021-22 only.

Clarification (i)

For the period from 01.04.2022 to 30.09.2022, Regulation 1 of 2017 is applicable for computing the RPPO of the obligated entities. From 01.10.2022 to 31.03.2027, the new Regulation is applicable.

APSLDC request (ii)

The Hon'ble CERC has issued notification on 31-10-2022 declaring that the Central Electricity Regulatory Commission (Terms and Conditions for Renewable Energy Certificates for Renewable Energy Generation) Regulations, 2022 dated 24-05-2022 shall come into force with effect from 05-12-2022 where all types of certificates are merged and treated as RE certificates. Hence, the Hon'ble commission is requested to communicate the procedure to consider the solar, non-solar energy or certificates for calculating RPPO from 01-04-2022 to 30-9-22 and 1-10-22 to 5-12-22 as APERC regulation 5 of 2022 merged solar and non solar energy as RE energy/RE Certificates.

Clarification (ii)

For the period from 01.04.2022 to 30.09.2022, Regulation 1 of 2017 is applicable for computing the RPPO of the obligated entities. From 01.10.2022 to 04.12.2022, either solar and non-solar RECs purchased by the obligated entities shall be considered towards the meeting of their RPPO.

APSLDC request (iii)

- a. As per clause 7 of the APERC regulation 5 of 2022 the obligated entities should fulfill their RPPO during that financial year only by procuring energy or by purchasing RECs.
- b. As per clause 3 the obligated Entities are allowed to fulfill the RPPO for the last quarter of a financial year during the first quarter of the succeeding financial year which is contrary to clause 7 of the regulation. If the Obligated entity is allowed to fulfil RPPO for the last quarter of a financial year in the first quarter of the succeeding year, the RPPO of that financial year can't be evaluated till the end of the first quarter of the succeeding year hence cannot follow the timelines prescribed in regulation.
- c. It is requested to clarify whether energy is allowed to fulfill the RPPO for the last quarter of a financial year during the first quarter of the succeeding

financial year or RECs is allowed. If it is energy, the procedure to be adopted may please be communicated.

Clarification (iii)

The intent of the above clauses is that the energy and/or the RECs purchased in a particular financial year shall be counted towards the RPPO of the obligated entities for that financial year only. Only for the last quarter of the financial year, keeping in view the practical problems of estimating the quantum of RPPO for that quarter, the obligated entities are permitted to meet the shortfall for that quarter, if any, during the first quarter of the next financial year by purchasing only RECs.

APSLDC request (iv)

The Honourable APERC has directed APSLDC for adjustment of excess RECs Purchased in any financial year during the first quarter of the succeeding financial year or RECs allowed. But the same was not included in the regulation 5 of 2022. Hence it is requested to clarify whether the directions applicable for the period beyond 2022

Clarification (iv)

The exemption given vide [Lr dt 10.08.2022](#) (ref 4th in your Letter) applies for one time only and no such exemption is extended in the new Regulation regime.

The APSLDC may take action accordingly.

(By order of the Hon'ble Commission)

Yours faithfully,



Commission Secretary_(i/c)

To
The Chief Engineer
APSLDC, Vidyut Soudha,
Vijayawada.