BEFORE THE HIMACHAL PRADESH ELECTRICITY REGULATORY COMMISSION, SHIMLA

Petition No.: 38 of 2023 Heard on : 22.06.2023 (Decided on: 23.06.2023)

CORAM: Sh. Devendra Kumar Sharma, Chairman Sh. Yashwant Singh Chogal, Member(Law) Sh. Shashi Kant Joshi, Member.

The Himachal Pradesh State Electricity Board Limited Vidyut Bhawan, Shimla-171004 (HP).

..... Petitioner

Versus

- The Director, Directorate of Energy, Shanti Bhawan, Phase-III, New Shimla-09 (HP).
- 2. The Chief Executive Officer, HIMURJA, SDA Complex, Kasumpti, Shimla-09
- 3. The Chief Engineer, State Load Dispatch Centre, Shimla-11
- 4. The General Manager (Gen.), HPPCL, Himfed Building, BCS, New Shimla - 09

.....Respondents

Present:-For Petitioner: Sh. Kamlesh Saklani (Authorized Representative) For Respondents: Sh. Manoj Kumar (Dy. Chief Engineer) Respondent No.-1 Ms. Sakshi Sharma, Advocate Respondent No.-2 Sh. Parveen Kumar (Dy. Chief Engineer) Respondent No.-3 Sh. Rohit Sharda, GM (Gen.) Respondent No.-4

Authentication of Renewable Energy Purchase against Wind Power Purchase Obligation (Wind RPO), Hydro Purchase Obligation (HPO) and Other Renewable Purchase Obligation (Other RPO) for FY 2022-23 under the provisions of Regulation 4 of HPERC (Renewable Power Purchase Obligation

and its Compliance) Regulations, 2023 and eligibility for issuance of certificates to the Distribution Licensee for excess electricity procured beyond RPO.

ORDER

This Petition has been filed by the Himachal Pradesh State Electricity Board Limited, a Distribution Licensee (hereinafter referred as "the HPSEBL"), an Obligated Entity under the Himachal Pradesh Electricity Regulatory Commission (Renewable power Purchase Obligation and its compliance) Regulations, 2023 (hereinafter referred as "the RPPO Regulations, 2023") seeking authentication of Renewal Energy Purchase for FY 2022-23 in respect of Wind Power Purchase Obligation (Wind RPO for short), Hydro Purchase Obligation (HPO for short) and Other Renewable Purchase Obligations (Other RPO for short).

THE CASE OF THE PETITIONER

2. The HPSEBL has averred that the Sub-regulation (1) of Regulation 4 of the RPPO Regulations, 2023 provides that the Obligated Entity shall, during each year, purchase or generate and consume such quantum of electricity (in kWh) from renewable sources as is not less than the quantum of electricity (in kWh), worked out as per provisions of the Schedule. The Schedule appended to the above Regulations provides for minimum percentage for Renewable Power Purchase Obligations as follows:

| Year | Minimum Quantum of Purchase in percentage from renewable | | | |
|---------|--|-------|-----------|-----------|
| | sources of total consumption | | | |
| | Wind RPO | HPO | Other RPO | Total RPO |
| 2022-23 | 0.81% | 0.35% | 23.45% | 24.61% |

3. For the purpose of above Obligations, the HPSEBL has computed its consumption as per the methodology given under Sub-regulation (2) of the Regulation 4 of the RPPO Regulations, 2023 and accordingly worked out total consumption of 12174.167 MUs for FY 2022-23. The target of Renewable Power Purchase Obligations (RPPO for short) for the FY 2022-23 for HPSEBL is as under:

| Description | Wind RPO | НРО | Other RPO |
|----------------------|---------------|---------------|---------------|
| Total Consumption | 12174.167 MUs | 12174.167 MUs | 12174.167 MUs |
| %age RPPO | 0.81% | 0.35% | 23.44% |
| RPO target (in terms | 98.611 MUs | 42.610 MUs | 2853.625 MUs |

| of energy) | | |
|------------|--|--|
| | | |

4. The Wind Purchase Obligation (Wind RPO for short), Hydro Purchase Obligation (HPO for short) and Other Renewable Purchase Obligation (Other RPO for short) are described as under:-

(A) Wind Purchase Obligations (Wind RPO):

(i) As per the Petition, the HPSEBL has procured renewable energy during FY 2022-23 to offset RPPOs as specified by the Commission. The detail of net shortfall/surplus of the HPSEBL in respect of Wind RPO during FY 2021-22 is given in the table below:

| | Details of Wind RPO Compliance | | | |
|---------|--|---------------|--|--|
| Sr. No. | Description Quantum | | | |
| 1. | HP's requirement within the State | 12174.167 MUs | | |
| 2. | Wind RPO of HPSEBL (%) | 0.81% | | |
| 3. | Wind RPO of HPSEBL in terms of energy 98.611 MUs | | | |
| 4. | Details of purchase against Wind RPO | | | |
| | (i) Wind Energy Procured Nil | | | |
| | (ii) Quantum of REC Procured (in terms of 55.562 MUs | | | |
| | energy) | | | |
| 5. | Total procurement | 55.562 MUs | | |
| 6. | Net surplus (+)/ short fall | -43.049 MUs | | |

- (ii) The HPSEBL has averred that they have no tie-up with generators for procurement of wind power. However, to offset the obligations of Wind RPO, the HPSEBL has procured 55,562 number of Certificates through Indian Energy Exchange (IEX) under the provisions of the Central Electricity Regulatory Commission (Terms and Conditions for Renewable Energy Certificates for Renewable Energy Generation) Regulations, 2022 (hereinafter referred to as "the CERC, REC Regulations 2022").
- (iii) Further, as per the second proviso to Sub-regulation (3) of Regulation 5 the RPPO Regulations 2023, the shortfall in any category of RPPOs may be met by purchasing certificates related to other categories of RPPOs by suitably applying such multiplier fixed by the Central Commission. Accordingly, the HPSEBL has prayed for adjusting the 55,562 number of certificates issued in the FY 2022-23 equivalent to 55.562 MUs, against the shortfall of 'Wind

RPO' and have also prayed that the balance shortfall of 43.049 MUs of 'Wind RPO' (98.611 MU-55.562 MUs) should be adjusted with the excess Hydro Purchase Obligation of Power available with the HPSEBL during FY 2022-23 beyond HPO in accordance with the provisions under item iii (h) of the Schedule appended to the RPPO Regulations, 2023.

(B) Hydro Purchase Obligations (HPO):

(i) The details of net shortfall/surplus of the HPSEBL in respect of Hydro Purchase Obligations during FY 2022-23 is as per the table below:

| Details of HPO Compliance | | | |
|---------------------------|---|---------------|--|
| Sr. No. | Description | Quantum | |
| 1. | HP's requirement within the State | 12174.167 MUs | |
| 2. | Hydro Purchase Obligations of HPSEBL (%) | 0.35% | |
| 3. | Hydro Purchase Obligations of HPSEBL in | 42.610 MUs | |
| | terms of energy | | |
| 4. | Details of purchase against HPO | | |
| | (i)Energy Procured from HEPs commissioned on or after 08.03.2019 | 272.286 MUs | |
| | (ii) Energy procured against GoHP Free Power (excluding LADF) from HEPs commissioned on or after 08.03.2019 | 10.440MUs | |
| | (iii) Quantum of REC Procured (in terms of energy) | Nil | |
| 5. | Total procurement | 282.730 MUs | |
| 6. | surplus (+)/ short fall (-) | 240.121 MUs | |
| 7. | Net surplus after adjusting the balance shortfall of 43.049 MUs in Wind RPO | 197.72 MUs | |

(ii) As mentioned above, the HPSEBL has submitted that it has procured energy quantum of 282.730 MUs from eligible Hydro Electric Projects (HEP for short) towards the compliance of Hydro Purchase Obligations specified by the Commission and has procured excess energy of 240.121 MUs beyond HPO for FY 2022-23. As per the RPPO Regulations 2023, any shortfall in achievement of 'Wind RPO' in a particular year can be met with excess energy consumed from Hydro Electric Plants, which is in excess of 'HPO' for that year and vice versa. Hence, the HPSEBL has prayed for adjussting the shortfall of 43.049 MUs in Wind RPO with excess purchase of 240.121 MUs beyond HPO by the HPSEBL. It is averred that if the Commission allow the same, the HPSEBL shall still have the balance surplus of 197.072 MUs (240.121 MU- 43.049 MU) beyond HPO and the HPSEBL has prayed for allowing the same for issuance of Certificates under the terms of the CERC, REC Regulations, 2022.

(C) Other Renewable Purchase Obligations (Other RPO):

 (i) The HPSEBL has given the details of net shortfall/surplus of the HPSEBL in respect of 'Other Renewable Power Purchase Obligations' during FY 2022-23 in the table below:

| | Details of 'Other RPO' Compliance | | | |
|------------|---|-----------------------------------|--|--|
| Sr. No. | Description | Quantum | | |
| 1. | HP's requirement within the State | 12174.167 MUs | | |
| 2. | Hydro Purchase Obligations of HPSEBL (%) | 23.44% | | |
| 3. | Hydro Purchase Obligations of HPSEBL in terms of energy | 2853.625 MUs | | |
| 4. | Details of purchase against HPO | | | |
| | (i)Energy Procured from HEPs commissioned before 08.03.2019 | 6420.343 MUs | | |
| | (ii) Energy Procured against GoHP Free Power from HEPs commissioned before 08.03.2019742.510 MUs | | | |
| | (iii) Generation from Own Projects of HPSEBL 2045.442 MUs (excluding GoHP Free Power) | | | |
| | (iv) Energy Procured from Grid Mounted Solar PV 121.176 MUs Projects | | | |
| | (v) Energy Generated by Solar Rooftop Plants installed in the State | 15.116 MUs | | |
| | (vi) Energy supplied by M/s Sai Eternal Foundation from Shimla HEP to HPSEBL w.e.f. 01.04.2021 to 26.09.2021 at generic levellised tariff | | | |
| | (vi) Quantum of REC Procured (in terms of energy) | Procured (in terms of energy) Nil | | |
| 5. | Total procurement | 9351.072MUs | | |
| 6. | surplus (+)/ short fall (-) | 6497.447 MUs | | |

(ii) The HPSEBL has averred that the Commission vide Order dated 24.03.2023 passed in Petition No. 77/2022 has granted approval for the generic levellised tariff applicable to the energy generated and delivered by M/s Sai Engineering Foundation (predecessor of M/s Sai Eternal Foundation) from Shimla HEP (5 MW) to HPSEBL during the period 01.04.2021 to 26.09.2021. It is averred that the energy generated and delivered from Shimla HEP during aforementioned period, which was previously settled at the APPC rate in accordance with the Order dated 21.02.2022 passed by the Commission in Petition No. 01/2022 was not accounted for by the HPSEBL in fulfilling the RPPOs as specified by the Commission for FY 2021-22. However, the Commission, vide Order dated 24.03.2023 in Petition No. 77/2022 has ordered that the previous Order dated 21.02.2022 was rendered in-executable due to the procedure laid down by the Central Electricity Regulatory Commission (CERC for short) regarding Renewable Energy Certificates. Consequently, M/s. Sai Engineering Foundation has been allowed the actual long-term levellised tariff, commencing from 01.04.2021 to 26.09.2021, with respect to the energy supplied from Shimla HEP to the HPSEBL during this period.

- (iii) As a sequel to the aforementioned Order dated 24.03.2023, the HPSEBL has averred that the green attribute of energy quantum of 6.485 MUs, generated and delivered from Shimla HEP to the HPSEBL during the period w.e.f. 01.04.2021 to 26.09.2021 lies with the HPSEBL. Accordingly, the Petitioner has considered this energy quantum of 6.485 MUs towards fulfilling the RPPOs for FY 2022-23 as specified by the Commission.
- (iv) According to the Petition, the HPSEBL has procured net energy quantum of 9344.587 MUs against the 'other RPO' target of 2853.625 MUs and has excess energy of 6497.447 MUs (9351.072 MUs–2853.625 MUs) procured beyond 'Other RPO' specified by the Commission. The HPSEBL has prayed for issuance of Certificates against surplus purchase of 6497.447 MUs.

IMPLEADMENT OF NECESSARY PARTIES

5. The HPSEBL had not arrayed important Stakeholders as party to the Petition, therefore, the Commission vide order dated 08.06.2023 arrayed the Directorate of Energy, GoHP, the HIMURJA, the HP State Load Despatch Centre (HPSLDC) and the Himachal Pradesh Power Corporation Limited (HPPCL) as necessary parties being Respondents No. 1 to 4, for disposal of the Petition.

REPLY OF THE REPOSNDENT No. 1

6. The Respondent No. 1, the Directorate of Energy (DoE for short) in its reply has averred as under:-

- (i) The petitioner has shown the Wind RPO for FY 2022-23 as 98.611 MUs and informed the DoE that the HPSEBL has procured Non-solar RECs in terms of 55.562 MUs energy during FY 2021-22 and requested for settlement of these RECs with Wind RPO in FY 2022-23. This settlement needs roll over of RECs from FY 2021-22 to FY 2022-23. If allowed this roll over, the net deficit will be 43.049 MUs for which the HPSEBL have requested to adjust this deficit from excess HPO power during FY 2022-23. In this case, as per RPPO Regulations, 2023, Wind RPO can be met by energy consumed from Hydro Electric Plants which is in excess of HPO for that year and vice versa. Hence, the Petitioner can meet deficit in Wind RPO from excess HPO during the year.
- (ii) It is averred that the Petitioner has stated that the Hydro Purchase Obligations of the HPSEBL is 42.610 MUs for FY 2022-23 and informed that the HPSEBL has procured 282.730 MUs during FY 2022-23 from HEPs commissioned on or after 08.03.2019. The HPSEBL after meeting its HPO compliance of 42.610 MUs & 43.049 MUs against deficit of Wind RPO is left with balance quantum of 197.072 MUs energy under HPO. The HPSEBL has requested for issuance of certificates under the terms of CERC, REC Regulations 2022. As per the provisions of RPPO Regulations, 2023, after meeting all its obligations, excess energy under HPO can be considered to be allowed for consideration for issuance of RE Certificates. Thus, the energy shown in Annexure P-3 (B) needs relook for correctness of the data.

REPLY OF THE RESPONDENT No. 3.

- 7. The Respondent No. 3, the HP State Load Despatch Centre (HPSLDC) in its reply has averred as under:-
 - (i) The Petition as preferred by the HPSEBL is for the examination of RPPO Obligations by FY 2022-23, adjustment of Wind RPO by 55,562 No. certificates (equivalent to 55.562 MUs) procured by the HPSEBL during FY 2021-22 from various non-solar sources, for allowing adjustment of balance deficit of 43.049 MUs (98.611 MUs-55.562 MUs) with the excess hydro energy procured by the HPSEBL beyond HPO from the eligible hydro electric projects commissioned on or after 08.03.2019, for the issuance of certificates

against net surplus energy quantum of 197.072 MUs (240.121 MUs-43.049MUs) procured by the HPSEBL beyond HPO under the terms of CERC REC Regulations, 2022 and to certify the said balance surplus quantum as per format 3.5 of procedure provided in CERC REC Regulations, 2022 and for consideration of 6.485 MUs generated and delivered by Shimla HEP to the HPSEBL during the period 01.04.2021 to 26.09.2021 towards fulfillment of RPPO for FY 2022-23, for issuance of certificates against the surplus energy quantum of 6497.447 MUs procured by the HPSEBL beyond 'Other RPO' under the terms of CERC REC Regulations, 2022, to certify this surplus quantum as per Format 3.5 of procedure under CERC REC Regulations, 2022. Further, the HPSEBL has prayed to condone inadvertent any omission/error/shortcomings and the petitioner permit to add/ change/modify/alter the Petition and make further submissions and that the reliefs claimed are not against the replying respondent in any manner as in view of the provisions under item (iii) (h) of the Schedule, appended to the RPPO Regulations, 2023, as notified vide notification No. HPERC/438, dated 24.02.2023 in line with Point No. 14 of letter No. 09/13/2021-RCM 2023, Ministry of Power, Government of India, dated 22.07.2022 (attached as Annexure-A). Item No. (iii)(h) of the Schedule is reproduced as under:-

"(iii) (h) Any shortfall remaining in achievement of 'other RPO' category in a particular year can be met with either the excess energy consumed from WPPs, commissioned after 31st March 2022 beyond 'Wind RPO' for that year or with excess energy consumed from eligible Hydro Power Projects (including PSPs) and Small Hydro Projects (SHPs), commissioned after 8th March 2019 beyond 'HPO' for that year or partly from both. Further, any shortfall in achievement of 'Wind RPO'; in a particular year can be met with excess energy consumed from Hydro Power Plants, which is in excess of 'HPO' for that year and vice versa."

REPLY OF RESPONDENT No. 4

- 8. The Respondent No. 4, the Himachal Pradesh Power Corporation Limited (HPPCL), in its reply has averred as under:-
 - (i) The HPERC vide order dated 19.04.2022 had approved for the purchase and sale of power in respect of Kashang (65 MW) and Sawra Kuddu (111

MW) HEPs for the financial year 2022-23 at the rate of Rs. 3.40 per unit at Ex-Bus w.e.f. 01.05.2022 till 31.03.2023 subject to the condition that the HPPCL shall have the HPO benefits in respect of Sawra Kuddu (111 MW) HEP for the power sold.

- (ii) The HPPCL eventually signed a Short Term Power Purchase Agreement with the HPSEBL for Kashang (65 MW) and Sawra Kuddu (111 MW) HEPs at the rate of Rs. 3.40 per unit at Ex-Bus w.e.f 01.05.2022 till 31.03.2023 on dated 28.04.2022.
- (iii) The energy of these two projects was supplied to the HPSEBL under the PPA regime. The details of energy supplied from 01.05.2022 till 31.03.2023 is as below:-

| Months | Energy at HP Periphery (MU) |
|-----------|-----------------------------|
| May | 18.507 |
| June | 20.835 |
| July | 28.934 |
| August | 29.800 |
| September | 12.102 |
| October | 0 |
| November | 0 |
| December | 1.317 |
| January | 3.697 |
| February | 3.885 |
| March | 4.969 |
| Total | 124.047 |

| E C | 1. 1.0 | C | 1/ 11 11FD |
|----------|------------|----------|-------------|
| Energy S | upplied II | om Sawar | a Kuddu HEP |

| Months | Energy at HP Periphery (MU) |
|-----------|-----------------------------|
| May | 16.677 |
| June | 14.997 |
| July | 45.318 |
| August | 53.594 |
| September | 42.556 |
| October | 35.530 |
| November | 16.251 |
| December | 10.665 |
| January | 8.778 |
| February | 8.054 |
| March | 7.823 |
| Total | 260.242 |

- (iv) The energy supplied from these HEPs are eligible for HPO and Other RPO benefits as per Clause No. ii and iii (a) of the Schedule of HPERC (Renewable Power Purchase Obligation and its Compliance) Regulations, 2023 which is reproduced as under:-
 - (ii) HPO shall be met only by energy produced from Hydro Power Projects (including PSPs) and Small Hydro Projects (SHPs) commissioned after 8th March 2019.
 (iii) Other RPO may be met by energy produced from any RE power project not mentioned in (i) and (ii) above.

- (a) From FY 2022-23 onwards, the energy from all Hydro Power Projects (HPPs) will be considered as part of RPO. The HPO trajectory, as has been notified earlier will continue to prevail for Hydro Power Projects (including PSPs) and Small Hydro Projects (SHPs) commissioned after 8th March 2019. Energy from all other HPPs including free power from HPPs commissioned before 8th March, 2019 will be considered as part of 'RPO' under category of 'other RPO'."
- (v) The HPPCL has not claimed these HPO & RPO benefits, therefore, the HPSEBL may also include this energy supplied from Kashang (65 MW) and Sawra Kuddu (111 MW) HEPs for issuance of Certificates and further transfer its benefits to the HPPCL.

REPLY OF THE RESPONDENT No. 2

9. The HIMURJA (Respondent No. 2) in its reply has not disputed the averments made in the Petition and has also not objected to the prayer of the HPSEBL averring that no relief has been claimed against it.

ADDITIONAL SUBMISSIONS BY THE PETITIONER VIDE MISCELLANEOUS APPLICATION

- 10. As prayed, the HPSEBL was directed to file Miscellaneous Application furnishing the authenticated detail with supporting documents during the course of proceedings which has been filed on 22.06.2023 furnishing the following details:-
 - (i) It is mentioned that the purchase/ sale of energy considered for the purpose of RPPOs is to be worked out at ex-bus, whereas the HPSEBL has worked out its RPPO by computing the sale/ purchase of energy at DISCOM Periphery. Therefore, the HPSEBL has re-worked its RPPO by considering the sale/ purchase of energy at ex-bus as detailed below as mentioned in the Miscellaneous Application:

| Description | Wind RPO | НРО | Other RPO |
|--|--------------|--------------|--------------|
| Total Consumption | 12567.849 MU | 12567.849 MU | 12567.849 MU |
| %age RPPO | 0.81% | 0.35% | 23.44% |
| RPO target (in terms of energy) | 101.800 MU | 43.987MU | 2945.904 |

 (ii) It is submitted by the HPSEBL that the HPSEBL has procured total energy of 15607.032 MUs at ex-bus and has sold 2935.768 MUs outside the State at HP Periphery. As per the provisions of RPPO Regulations 2023, the HPSEBL has considered month wise normative CTU losses to work out aforementioned sale at ex bus. Considering this, the sale of energy by the HPSEBL at ex bus is 3039.183 MUs.

- (iii) It is submitted that the HPSEBL has procured energy quantum of 282.877MUs at ex-bus from eligible HEPs commissioned on or after 08.03.2019 towards the compliance of Hydro Purchase Obligations specified by the Commission. Out of this purchase of energy, 10.591 MUs of energy procured against GoHP free power share (excluding LADF) from various Hydro Electric Projects commissioned on or after 08.03.2019 and the HPSEBL has submitted that the aforesaid quantum of 10.591 MUs shall be considered to be utilized against the HPO for FY 2022-23.
- (iv) It is submitted that the HPSEBL has procured energy quantum of 9600.292 MU at ex-bus from various renewable energy sources including Hydro Electric Projects commissioned before 08.03.2019 towards the compliance of 'Other RPO' specified by this Commission for FY 2022-23. The said quantum of purchase also includes the energy procured from Kashang HEP, which was inadvertently not included in the details submitted alongwith the Petition.
- (v) It is submitted that the HPSEBL has procured 439.799 MUs of energy from IPP owned SHPs in terms of PPA signed with the HPSEBL at the tariff determined by the Govt. of Himachal Pradesh prior to the implementation of Himachal Pradesh Electricity Regulatory Commission (Promotion of Generation from the Renewable Energy Sources and Terms and Conditions for Tariff Determination) Regulations, 2017. Further, the HPSEBL has also procured 744.904 MUs of free power (excluding LADF) from various Hydro Electric Projects commissioned before 08.03.2019. The HPSEBL has submitted that the said aggregated quantum of energy of 1184.703 MUs (439.799 MU+744.904 MU) may be considered to be utilized against 'Other RPO' for FY 2022-23. It is submitted that the HPSEBL has procured 251.911 MUs of energy from IPP owned Small Hydro Projects having short term PPA

with the HPSEBL under REC Mechanism. As per the provisions of the RPPO Regulations 2023, the energy procured under REC mechanism do not qualify to meet RPPO of the HPSEBL hence, the same has not been considered for fulfilling RPPO of the HPSEBL.

- (vi) It is further submitted that the HPSEBL has not sold any RE Power to other entity(ies) during FY 2022-23 and hence, not considered the same for the computation of RPPOs. Further, the HPSEBL was in deficit of 185.36 MUs to meet its Solar RPPO of FY 2021-22 which was ordered to be offset by the Commission by the following means:
 - (a) By Procurement of Solar REC; and/or
 - (b) By procurement of additional solar power during the remaining part of the current financial year dedicated for adjustment of aforesaid deficit.
- (vii) It is also submitted that the HPSEBL has procured 94,438 Solar REC (equivalent to 94.438 MUs) and adjusted the balance shortfall with the energy quantum of 90.922 MUs procured from solar sources during FY 2022-23 which was accordingly considered in compliance of Solar RPO of FY 2021-22 by the Commission vide order dated 29.03.2023 passed in Petition No. 25 of 2023. Hence, the HPSEBL has submitted that the Commission may consider the aforesaid quantum of 90.922 MUs as utilized by the HPSEBL against solar RPO of FY 2021-22 and may not consider the said quantum against compliance of 'Other RPO' of FY 2022-23.
- (viii) It is also submitted that in compliance to the daily Orders dated 16-06-2023 & 19-06-2023 passed by the Commission in the instant Petition, the SLDC/Respondent No. 3 has authenticated its part of energy viz. energy procured from Central Generative Plants (CGPs) and energy sold/ procured through IEX including Unscheduled Interchange (UI). Further, the DoE/ Respondent No. 1 has also verified the project-wise quantum of free power of GoHP, procured by the HSPEBL during FY 2022-23.
- (ix) It is also submitted that the energy procured from IPP owned projects, has been taken from the energy bills processed by the HPSEBL based on monthly Joint Meter Reading (JMR for short) prepared by the designated officers of

the HPSEBL and the concerned IPPs. Further the energy delivered from shared generation projects of the HPSEBL with the Uttrakhand Jal Vidyut Nigam Ltd. (UJVNL) & Uttar Pradesh Jal Vidyut Nigam Ltd. (UPJVNL) at ex-bus has also been considered from its monthly JMR. Hence, the same including generation from solar rooftop projects & generation from the HPSEBL's own projects, shall be considered as self-verified by the HPSEBL.

- (x) The HPSEBL has also submitted the following vide Miscellaneous Application :-
 - (a) The HPPCL/ Respondent No. 4 vide its letter dated 14-06-2023 has requested & authorized the Petitioner to claim the HPO benefit of Sawra Kuddu HEP (111 MW) against the energy delivered by them to the HPSEBL w.e.f. 01-05-2022 to 31-03-2023 for issuance of RE certificates from National Load Despatch Centre (NLDC), since HPPCL has not claimed the same.
 - (b) It has been agreed by the HPSEBL to include the energy procured from Sawra Kuddu HEP (111 MW) w.e.f. 01-05-2022 to 31-03-2023 against the HPO of the HPSEBL for FY 2022-23.
 - (c) The benefits of RE Certificates to be claimed by the HPSEBL against the energy delivered from Sawra Kuddu HEP, shall be shared with HPPCL after deducting statutory charges, fees etc.
 - (d) The Commission has been requested to allow and consider the energy delivered from Sawra Kuddu HEP w.e.f. 01-05-2022 to 31-03-2023 as detailed below, against the HPO of the HPSEBL for FY 2022-23 and to authenticate/certify the surplus quantum beyond HPO in Format 3.5 of the procedure framed under the CERC REC Regulations, 2022 for issuance of RE Certificates:

| Month | Quantum of Energy (MU) |
|----------------|------------------------|
| May 2022 | 16.677 |
| June 2022 | 14.997 |
| July 2022 | 45.318 |
| August 2022 | 53.594 |
| September 2022 | 42.556 |
| October 2022 | 35.530 |
| November 2022 | 16.251 |
| December 2022 | 10.665 |

| January 2023 | 8.778 |
|---------------|---------|
| February 2023 | 8.054 |
| March 2023 | 7.823 |
| Total | 260.242 |

- (xi) Computation Sheets, Project wise detail, detail of energy procured by the HPSEBL from IPP owned SHPs, detail of energy procured against GoHP share of free power (excluding LADF) in various HEPs commissioned before 08-03.2019, detail of energy purchased from IPP owned SHPs under REC mechanism (Annexure 6), generation data for FY 2022-23 (Annexure A-7) Copy of letter dated 20.06.2023 of the DoE and details of energy procured against GoHP free power share have also been furnished.
- 11. We have heard Sh. Kamlesh Saklani, Authorised Representative of the Petitioner and Sh. Manoj Kumar, Dy. Chief Engineer, Ms. Sakshi Sharma, Advocate, Sh. Praveen Kumar Dy. Chief Engineer as also Sh. Rohit Sharda, G.M. (Generation) for Respondents No. 1 to 4 respectively and have perused the entire record carefully

RELEVANT REGULATORY PROVISIONS

12. The Commission has framed the RPPO Regulations, 2023, specifying the minimum percentage of RPPOs for Wind RPOs, HPOs, Other RPOs and Energy Storage Obligations for the Distribution Licensee, as well as the Captive and Open Access Users/Consumers, with a provision that the Renewable Energy Certificates issued under the the CERC REC Regulations, 2022 shall be the valid instruments for the discharge of the mandatory obligations set out in the RPPO Regulations, 2023 for the Obligated Entities to purchase electricity from renewable energy sources during each financial year as specified by the Commission.

13.Regulations 4 and 5 of the RPPO Regulations, 2023 are reproduced as under:

"4. Quantum of Renewable Power Purchase Obligation (RPPO).- (1) The Obligated Entity shall, during each year, purchase or generate and consume such quantum of electricity (in kWh) from renewable sources as is not less than the quantum of electricity (in kWh), worked out as per provisions of Schedule:

Provided that the Captive Power Plants (CPPs) commissioned before 01.04.2016, RPO shall be at the level specified for the Financial Year 2015-16 by the Commission under RPO Regulations, 2010. For CPPs commissioned from 01.04.2016 onwards, the RPO level shall be applicable as specified by the Commission for the respective financial year of commissioning of the CPP under RPO Regulations, 2010 and these Regulations. In case of any augmentation in the capacity of CPPs, the RPO for augmented capacity shall be the RPO applicable for that financial year in which the CPP has been augmented.

(2) Subject to the provisions contained in Regulation (3) of these Regulations, the consumption of the Obligated Entity shall be computed by taking into account the following, namely:-

- (i) the total energy purchased from various sources, interalia, including the purchases under Power Purchase Agreement(s), through energy exchanges, Unscheduled Interchange power and from joint sector projects etc. etc.;
- *(ii) the energy generated (excluding auxiliary consumption) from the power plants, owned exclusively or jointly, by it. This shall include the standby generating set(s) also;*
- (iii) the transmission and distribution losses (T&D losses for short) borne by it for conveyance of power from the point of purchase/ generation to the point of consumption in relation to Clause (i) and (ii);
- (iv) the sale of energy out of the energy so purchased/generated, interalia, including transmission and distribution losses borne by it for conveyance of power from the point of purchase/generation to the point of such sale shall be excluded:

Provided that in case it is not feasible to identify such losses separately, the average T&D losses as per Clause (iii) shall be considered.

(v) in case of the banking arrangement(s), the energy banked/returned by the Distribution Licensee shall be considered as sale under Clause (ii), (iv) and the energy received shall be treated as purchased under Clause (i) and (iii).

(3) Any person/consumer, who consumes power from any source (generation/purchase), interalia, including purchase through Open Access, but other than in his capacity as a consumer of Distribution Licensee or by drawl from a Captive Generating Plant, the RPPOs at the rate(s) provided in Schedule under Sub-regulation (1) of this Regulation shall be applicable in respect of his consumption from such sources:

Provided that the energy purchased/generated by Obligated Entity, shall be considered to have been arranged from the sources other than the RE Sources, unless such Obligated Entity establishes to the satisfaction of the State Agency that such arrangement was arranged from RE Sources:

(4) The Commission may, keeping in view the power supply constraints or other factors beyond the control of the Obligated Entity(ies) or for any other reasons, Suo-Moto or at the request of an Obligated Entity, also revise the percentage targets or allow inter category adjustment over and above those permissible as per the schedule to these Regulations taking into account the non-availability of such renewable energy or RE certificates in respect of any one or more categories of the RPPO, for a year(s) for which Renewable Power Purchase Obligations have been fixed as per Schedule of these Regulations.

5. *Fulfillment of Renewable Power Purchase Obligations (RPPOs).-* (1) Each of the Obligated Entity shall meet, on yearly basis, the RPPOs separately under each of the categories (i.e. for

Wind Energy, Hydro Power Purchase (HPO), other renewable energy as well as wind storage and solar storage renewable energy) as per Schedule of these Regulations:

Provided that the Obligated Entity shall endeavour to meet RPPOs under each category on quarterly basis.

(2) The Obligated Entity may meet its Renewable Power Purchase Obligation (RPPO), as specified in Regulation 4 and Schedule of these Regulations, from the renewable sources relevant to respective categories of RPPOs, including the following, namely.-

- (i) purchase of energy from generating stations, based on RE Sources;
- *(ii) purchase of energy from any other person, or any platform facilitating exchange of power, which would arise from RE Sources;*
- (iii) purchase of free power (royalty) of the State Government by the Distribution Licensee depending upon the renewable source from where such free power has arisen subject to the condition and limitation as may be prescribed by the Central Government from time to time;
- (iv) the energy generated from its own RE Sources, if any; and
- (v) receipt of energy under banking arrangement(s) which has, as per the agreement(s) arisen from RE Sources:

Provided that the T&D losses borne by the Obligated Entity in relation to procurement of energy shall also be included for computing the quantum of energy procured for each of such sources:

Provided further that the Obligated Entity may also meet RPPOs by redeeming, wherever permissible, the certificates already held by it:

Provided further that the renewable energy sold, if any, by the Obligated Entity to any other entity out of availability as per Clause (i) to (v) as well as the T&D losses borne by the Obligated Entity from a point of purchase/ generation to the point of such sale, shall not qualify for offsetting RPPOs:

Provided further the electricity purchased by the Obligated Entity under REC mechanism as per Regulation 10 of these Regulations shall not qualify for offsetting RPPOs:

Provided further that the quantum of electricity generated by the Consumer/Prosumer, being an Obligated Entity, through rooftop solar PV system under net metering/net billing/ group metering arrangements in any year, shall qualify towards compliance for RPPO of the Distribution Licensee or the Consumer/Prosumer, as the case may be, for that year in accordance with the provisions contained in Himachal Pradesh Electricity Regulatory Commission (Rooftop Solar PV Grid Interactive System) Regulations, 2015 renamed and amended from time to time.

- (vi) The Obligated Entity can also met their Renewable Purchase Obligation by purchasing green hydrogen or green ammonia and the quantum of such green hydrogen or green ammonia would be computed by considering the equivalence to green hydrogen or green ammonia produced from the one MWh of electricity from the renewable sources or its multiplies and norms in this regard as may be notified by the Central Commission.
- (vii) The procurement of green energy from the Distribution Licensee or any person other than the Distribution Licensee as per the Electricity (Promoting Renewable Energy through Green Energy Open Access) Rules, 2022, by the open access consumer

being an Obligated Entity, in excess of Renewable Purchase Obligation, shall be counted towards the Renewable Purchase Obligation Compliance of the Distribution Licensee.

(3) In case the Obligated Entity expects any shortfall in meeting RPPOs of one or more categories in a year, it shall meet such shortfall by procuring power, or certificates, from RE Sources based on respective technology (ies) before close of that year:

Provided that the shortfall for a category of RPPOs in a year may be offset, to the extent permissible under Schedule of these Regulations or as per Sub-regulation (4) of Regulation 4 of these Regulations, by adjustment of surplus availability under by other category of RE Sources:

Provided further that in case the CERC REC Regulations, 2022 or the Procedure made thereunder, provide for inter category convertibility of certificates on the basis of Certificate multipliers and such multipliers shall also be applicable for the purpose of offsetting the shortfalls or computing surpluses. The shortfall in any category of RPPOs may be met by purchasing certificates related to other categories of RPPOs by suitably applying such Certificate multiplier fixed by the Central Commission.

(4) Failure on the part of any Obligated Entity to meet its RPPO in any financial year shall be dealt in accordance with the provisions contained in Regulation 9 of these Regulations."

14. The Central Electricity Regulatory Commission (CERC) has also framed the CERC REC Regulations, 2022. It would be appropriate to reproduce Sub-regulation (1) of Regulation 4 and Regulation 10 of these Regulations, as under:-

"4. Eligibility for Issuance of Certificates

- (1) Following entities shall be eligible for issuance of Certificates:
 - (a) Renewable energy generating stations,
 - (b) Captive generating stations based on renewable energy sources,
 - (c) Distribution licensees, and
 - (d) Open access consumers

(4). An obligated entity being a distribution licensee or an open access consumer, which purchases electricity from renewable energy sources in excess of the renewable purchase obligation as determined by the concerned State Commission shall be eligible for issuance of Certificates to the extent of purchase of such excess electricity from renewable energy sources.

10. Issuance of Certificates

(1) An eligible entity which has been granted registration or deemed to have been granted registration may apply for issuance of Certificates, to the Central Agency in accordance with the Procedure of Issuance of Certificate to be issued by the Central Agency as part of the Detailed Procedure.

(2) Application for issuance of Certificates shall be made by an eligible entity being a renewable energy generating station or a captive generating station based on renewable energy sources, to the Central Agency within six months from the corresponding generation by the eligible entity: Provided that no Certificate shall be issued in case the application is made beyond the period of six monthsfrom the corresponding generation.

(3) Application for issuance of Certificates shall be made by an eligible entity being a distribution licensee or an open access consumer within three months from the end of a financial year, along with a copy of certification from the concerned State Commission about purchase of electricity from renewable energy sources in excess of the renewable purchase obligations as determined by the concerned State Commission: Provided that no Certificate shall be issued in case the application is made beyond the period of three months from the end of the financial year.

(4) The Central Agency shall, within fifteen days from the date of receipt of complete application for issuance of Certificates from an eligible entity, issue Certificates or reject the application recording the reasonsfor such rejection and intimate the same to the concerned entity.

(5) The Certificates shall be issued to the eligible entity being a renewable energy generating station or a captive generating station based on renewable energy sources, on the basis of the electricity generated and injected into the grid or deemed to be injected in case of self-consumption by the eligible captive generating station based on renewable energy sources and duly accounted in the Energy Accounting System:

(i) as per the Grid Code or the State Grid Code, as the case may be, or

(ii) based on written communication of distribution licensee to the concerned State Load Despatch Centre or Regional Load Despatch Centre with regard to the energy input by the renewable energy generating station and captive generating station based on renewable energy sources which are not covered under the existing scheduling and despatch procedures.

(6) The entities granted registration or deemed to have been granted registration under these regulations shall be eligible for issuance of Certificates for the validity period of their registration."

15. The Central Agency i.e. the NLDC has also devised a format under 'Procedure for Issuance of Renewable Energy Certificates to the Eligible Entity(ies)' under CERC REC Regulations, 2022. As per the format 3.5 of the procedure framed under the CERC REC Regulations, 2022, the State Electricity Regulatory Commission may recommend for issuance of certificates, if the Distribution Licensee procures the RE power beyond the RPPO.

ANALYSIS BY THE COMMISSION

- 16. From the statutory provisions, as set out in the preceding paras, it is apparent that :-
 - (a) The Distribution Licensee is eligible for RECs, if it fulfills the conditions given under Sub-regulation (1) of Regulation 4 and Regulation 10 of the CERC REC Regulations, 2022.
 - (b)Regulation 4 of the RPPO Regulations, 2023 provides that the Distribution Licensee shall purchase the quantum of the electricity (in kWh) from renewable

sources, at a minimum percentage (as specified in the Schedule) of the total consumption. Further, as per the conditions of RPPO trajectory, as mentioned in the Schedule appended to RPPO Regulations, 2023, it has been specified as under:-

- *(i)* Wind RPO shall be met by energy produced from Wind Power Projects (WPPs), commissioned after 31st March 2022 and the Wind Energy consumed over and above 7% from WPPs commissioned till 31st March, 2022.
- (ii) HPO shall be met only by energy produced from Hydro Power Projects (including PSPs) and Small Hydro Projects (SHPs) commissioned after 8th March 2019.
- (iii) Other RPO may be met by energy produced from any RE power project not mentioned in (i) and (ii) above.
 - (a) From FY 2022-23 onwards, the energy from all Hydro Power Projects (HPPs) will be considered as part of RPO. The HPO trajectory, as has been notified earlier will continue to prevail for Hydro Power Projects (including PSPs) and Small Hydro Projects (SHPs) commissioned after 8th March 2019. Energy from all other HPPs including free power from HPPs commissioned before 8th March, 2019 will be considered as part of 'RPO' under category of 'other RPO'.
- (b) RPO shall be calculated in energy terms as a percentage of total consumption of electricity.
- (c) HPO obligations may be met from the power procured from eligible Hydro Power Projects (including PSPs) and Small Hydro Projects (SHPs) commissioned on and after 8th March, 2019 to 31st March, 2030.
- (d) HPO obligation of the Distribution Licensee may be met out of the free power being provided to the State from Hydro Power Projects (including PSPs) and Small Hydro Projects (SHPs), commissioned after 8th March, 2019 as per agreement at that point of time excluding the contribution towards LADF, if consumed within the State. Free power (not that contributed for Local Area Development) shall be eligible for HPO benefit.
- (e) In case, the free power mentioned above is insufficient to meet the HPO obligations, then the Distribution Licensee would have to buy the additional hydro power to meet its HPO obligations or may have to buy the corresponding amount of Renewable Energy Certificate corresponding to Hydro Power.
- (f) The above HPO trajectory shall be trued up on an annual basis depending on the revised commissioning schedule of Hydro projects.
- (g) Hydro power imported from outside India shall not be considered for meeting HPO.
- (h) Any shortfall remaining in achievement of 'Other RPO' category in a particular year can be met with either the excess energy consumed from WPPs, commissioned after 31st March 2022 beyond 'Wind RPO' for that year or with excess energy consumed from eligible Hydro Power Projects (including PSPs)

and Small Hydro Projects (SHPs), commissioned after 8th March 2019 beyond 'HPO' for that year or partly from both. Further, any shortfall in achievement of 'Wind RPO' in a particular year can be met with excess energy consumed from Hydro Power Plants, which is in excess of 'HPO' for that year and vice versa.

- *(i)* ----- .
- *(j)* ----- .
- (c) The Regulation 5 of the RPPO Regulations, 2023 provides that the Certificates issued under the Central Regulations i.e. CERC REC Regulations, 2022 shall be valid instruments for the discharge of the mandatory obligations, as set out in the RPO Regulations, 2023 for the Obligated Entities, to purchase electricity from renewable energy sources.
- (d) The Regulation 10 of the CERC REC Regulations, 2022 lays down the conditions for issuance of Renewable Energy Certificates and Regulation 16 of the said Regulations provides for issuance of detail procedure in this regard by the Central Agency i.e. the National Load Dispatch Centre (NLDC) and the same stand issued by the Central Agency (NLDC).
- 17. The Commission on 19th June, 2010 has designated the "Directorate of Energy", Respondent No. 1, which is an authority created under the administrative control of the Government of Himachal Pradesh, as the State Agency for the purposes of the RPPO Regulations and the State Agency has to undertake functions under RPPO Regulations, as amended from time to time.
 - 18. On careful perusal of Regulations and data supplied by the parties, the Quantification of Consumption and the targets of Wind RPO, HPO and Other RPO shall be as under:-
 - (i) The data shows that the Nodal Agency i.e. the HPSLDC has certified most of the data and sale and purchase figure. The HPSEBL has calculated the total consumption for computing the RPOs as per the RPPO Regulations, 2023 as 12567.849 MUs. On careful analysis, the Commission finds the consumption worked out by the HPSEBL in order and accordingly, the surpluses/deficit have been worked out in the succeeding paragraphs after meeting the targets fixed by the Commission.

(xii) As per the RPPO Regulations, 2023, the minimum quantum of purchases in percentage required to be met from the renewable energy sources of the total consumption under each of the category for FY 2022-23 shall be as under:-

| Description | Wind RPO | НРО | Other RPO |
|---------------------------------|---------------|---------------|---------------|
| Total Consumption | 12567.849 MUs | 12567.849 MUs | 12567.849 MUs |
| %age RPPO | 0.81% | 0.35% | 23.45% |
| RPO target (in terms of energy) | 101.800 MUs | 43.987 MUs | 2947.161 MUs |

19.On the basis of data furnished and the provisions of Regulations the Compliance of Wind RPO, HPO and other RPO shall be as under:-

(A) Wind RPO and HPO

- As per record, the Petitioner has not generated/ purchased any wind power (i) during FY 2022-23. Though the Petitioner has requested for adjustment of the shortfall in Wind RPO against the RE certificates of equivalent energy of 55.562 MUs procured during FY 2022-23 and that the balance deficit of Wind RPO of 43.049 MUs (98.611-55.562) may be adjusted against the excess power purchased which is eligible for the HPO but the Commission on careful analysis is of the view that as per the provisions of the Schedule appended to RPPO Regulations, 2023, the shortfall in meeting Wind RPO can only be from the hydro projects energy eligible for the HPO and the Commission is not inclined to allow adjustment of shortfall of Wind RPO with the RE certificates of equivalent energy of 55.562 MUs and the total deficit of 101.838 MUs of Wind RPOs is ordered to be adjusted against the surplus energy eligible for HPO. However, the RE Certificates of equivalent energy of 55.562 MUs purchased by the Petitioner during FY 22-23 may be considered against the adjustment of other RPOs.
- (ii) The HPSEBL has purchased the power of 282.877 MUs from hydro projects commissioned after 08.03.2019 for fulfillment of Hydro Purchase Obligations. However, this purchase does not include the energy purchased from Sawara Kuddu HEP for which HPPCL has claimed its right, even though the Power Project was commissioned after 08.03.2019. Thus, there is a surplus of

137.090 MUs after adjusting the HPO (43.987 MUs) as well as Wind RPO (101.800 MUs) without considering the energy of Sawra Kuddu HEP.

- (iii) As regards the power purchased from Sawara Kuddu HEP, the Commission had made it clear while approving the Power Purchase Agreement by the HPSEBL that HPO benefits shall remain with the HPPCL. Thus, we allow the credit of this power to HPSEBL and the Petitioner shall pass on the benefit of the RE certificates to the HPPCL as and when such certificates are sold by it.
- (iv) However, the Commission do not find any merit in respect of the claim of HPO, for the energy supplied from Kashang HEP (65 MW) w.e.f. 01.05.2022 to 31.03.2023 to the Petitioner i.e. HPSEBL as the project i.e. the Kashang HEP was commissioned in the FY 2016-17 i.e. before 8th March, 2019. However, the energy of Kashang HEP is considered for fulfilment of 'Other RPPOs'.
- (v) On the basis of the above discussion, the details of net shortfall/ surplus of the HPSEBL in respect of Wind RPO & HPO after adjustment of energy eligible for HPO against the Wind RPO comes out as under:-

| | Details of WPO and HPO Compliance | | | | |
|-----|------------------------------------|----------------|--------------------|--|--|
| WPC | WPO Compliance for FY 2022-23: | | | | |
| Sr. | Description | Quantum as per | Quantum considered | | |
| No. | | Petition | for RPO compliance | | |
| 1. | Energy consumption of HPSEBL | 12567.849 MUs | 12567.849 MUs | | |
| 2. | Wind Purchase Obligations of | 0.81% | 0.81% | | |
| | HPSEBL (%) | | | | |
| 3. | Wind Purchase Obligations of | 101.80 MUs | 101.80 MUs | | |
| | HPSEBL in terms of energy | | | | |
| 4. | Details of energy procured to meet | | | | |
| | WPO | | | | |
| | (i) Wind Energy Procured from | Nil | Nil | | |
| | the projects commissioned after | | | | |
| | 31.03.2022 | | | | |
| | (ii) Wind Energy consumed over | Nil | Nil | | |
| | and above 7% from the projects | | | | |
| | commissioned before 31.03.2022 | | | | |
| | (ii) Quantum of REC Procured (in | Nil | Nil | | |
| | terms of energy) | | | | |
| 5. | Total procurement | Nil | Nil | | |
| 6. | Net surplus (+)/ short fall | -101.80 MUs | -101.800 MUs | | |
| | | | | | |
| HPO | Compliance for FY 2022-23: | | | | |
| 7. | Energy consumption of HPSEBL | 12567.849 MUs | 12567.849 MUs | | |

| 8. | Hydro Purchase Obligations of HPSEBL (%) | 0.35% | 0.35% |
|-----|--|-----------------|------------------|
| 9. | Hydro Purchase Obligations of | 43.987 MUs | 43.987 MUs |
| | HPSEBL in terms of energy | | |
| 10. | Details of energy procured to meet | | |
| | НРО | | |
| | (i)Energy Procured from large and | 532.528 MUs | 532.528 MUs |
| | small HEPs commissioned on or | | |
| | after 08.03.2019 but before | | |
| | 05.12.2022 including the | | |
| | energy procured from Sawra | | |
| | Kuddu HEPs | | |
| | (ii) Energy procured against Free | 10.591MUs | 10.591MUs |
| | Power (excluding LADF) from | | |
| | large and small HEPs | | |
| | commissioned on or after | | |
| | 08.03.2019 but before | | |
| | 05.12.2022 | | |
| | (iii) Quantum of REC Procured (in | Nil | Nil |
| | terms of energy) | | |
| 11. | Total procurement | 543.119 MUs | 543.119 MUs |
| 12. | surplus (+)/ short fall (-) | 499.131 MUs | 499.132 MUs |
| 13. | Net surplus after adjusting the | 499.131-101.80= | 499.132-101.800= |
| | balance shortfall in Wind RPO | +397.332 MUS | +397.332 MUs |

(B) Other Renewable Purchase Obligations (Other RPO):-

- (i) The HPSEBL has purchased 9779.901 MUs of power from the hydro projects commissioned before 08.03.2019 and from the Solar for meeting the other RPPO compliance of projects commissioned in the State which has been mentioned in the table mentioned at item (v) of this para.
- (ii) Though the HPPCL has claimed their right for RE Certificates of energy of Kashang HEP but no documentary proof has been procured in this regard. As per the approved PPA dated 28.04.2022 between the Petitioner i.e. HPSEBL and HPPCL for Kashang HEP (65 MW), the Petitioner and the HPPCL have an agreement for sale/purchase of green power of the said HEP meaning thereby the HPSEBL is eligible for the benefits of green energy procured by it for the period 01.05.2022 to 31.03.2023 from this project. Thus, the power procured from Kashang HEP which is not considered by the HPSEBL in their

Petition is also considered by the Commission under 'Other RPO' head.

- (iii) It is relevant to mention that no adjustment has been made for the energy banked and received back during the same year as it has been certified by the Petitioner that while banking the energy, the RE tag was retained by it. Similarly, the solar energy of 24.111 MUs received under banking arrangement has been treated as solar purchase in line with the certification by the banker that it has not claimed any RECs against this power.
- (iv) The Commission do not consider the energy (i.e. 6.485 MUs) of Shimla Hydro Electric Project (5.00 MW) procured during the period 01.04.2021 to 26.09.2021 for RPO compliance of FY 2022-23 or surplus RE energy during the said financial year under Other RPO head as the procurement is governed by the HPERC, RPO Compliance Regulations, 2010. Therefore, the Certificates of such surplus RE energy shall be issued separately under the HPERC RPPO Regulations, 2010. Further, if the claim for RECs for FY 2021-22 has not been filed by the Petitioner on the date of issuance of this Order, the Petitioner shall have an option to get the Format 3.5 revised which already has been issued by the Commission for FY 2021-22 and the previous years.
- (v) Thus, the details of net shortfall/surplus of the HPSEBL in respect of 'Other Renewable Power Purchase Obligations' during FY 2022-23 is as per the table given below:-

| Details of 'Other RPO' Compliance for FY 2022-23 | | | |
|--|---------------------------------------|----------------|----------------|
| Sr. | Description | Quantum as per | Quantum |
| No. | | Petition | considered for |
| | | | RPO compliance |
| 1. | Energy consumption of HPSEBL | 12567.849 MUs | 12567.849 MUs |
| 2. | Other Renewable Purchase Obligations | 23.44% | 23.45% |
| | of HPSEBL (%) | | |
| 3. | Other Renewable Purchase Obligations | 2945.904 MUs | 2947.161MUs |
| | of HPSEBL in terms of energy | | |
| 4. | Details of energy procured to meet O- | | |
| | RPO | | |
| | (i) Energy Procured from HEPs | 6645.290 MUs | 6769.336 MUs |

| | commissioned before 08.03.2019 | | |
|----|---|----------------|---------------------------|
| | | | |
| | including energy procured from | | |
| | Kashang HEPs | 744.004.001 | 74400410 |
| | (ii) Energy Procured against GoHP Free | 744.904 MUs | 744.904 MUs |
| | Power from HEPs commissioned | | |
| | before 08.03.2019 | | |
| | (iii) Generation from Own Projects of | 2045.442 MUs | 2045.442 MUs |
| | HPSEBL (excluding GoHP Free | | |
| | Power) | | |
| | (iv) Energy Procured from Grid Mounted | 122.848 MUs | 122.848 MUs |
| | Solar PV Projects | | |
| | (v) Energy Generated by Solar Rooftop | 15.116 MUs | 15.116 MUs |
| | Plants installed in the State | | |
| | | 24 111 MIL | 24 111 MIL |
| | (vi) Energy received under banking | 24.111 MUs | 24.111 MUs |
| | (Solar RE) | 1 (0() []] | 1 (0() []] |
| | (vii) Solar Energy procured through | 1.696 MUs | 1.696 MUs |
| | IEX(GDAM) | | |
| | (viii) Non-solar Energy procured through | 0.885 MUs | 0.885 MUs |
| | IEX(GDAM) | | |
| | (ix) Quantum of REC Procured (in | 55.562 MUs | 5 <mark>5.</mark> 562 MUs |
| | terms of energy) | | |
| 5. | Total procurement | 9655.854 MUs | 9779.901 MUs |
| 6. | Surplus (+)/ short fall (-) | + 6709.950 MUs | +6832.740 MUs |
| 7. | Solar energy utilized to meet solar deficit | 90.922 MUs | 90.922 MUs |
| | of previous year i.e. FY 2021-22 | | |
| 8. | Balance Surplus (+)/ short fall (-) | +6619.028 MUs | +6741.818 MUs |

CONCLUSION

- 20.In view of the above, the Petition succeeds and allowed. The HPSEBL is compliant for Wind RPO (after adjustment of HPO energy), HPO and Other RPOs as per the trajectory specified by the Commission for FY 2022-23. The HPSEBL has procured RE power in excess of the obligations in the relevant year 2022-23 and, therefore, the HPSEBL is entitled for the recommendation for issuance of RECs for excess energy procured by the HPSEBL as per the quantum as mentioned above. The requisite recommendations for issuance of RECs, on Format 3.5, devised under Procedure for Implementation of REC Mechanism by the Central Agency be issued accordingly.
- **21.**It is made clear that the income realised from the sale of RECs by the Petitioner will be adjusted in its True-up for retail business. The Petitioner is directed to file quarterly status report of RPPO compliance to the State Agency (the DoE)

for expeditious monitoring and facilitating requisite action by the State Agency in a time bound manner.

22.The Petition is accordingly disposed off. The pending CMAs are also disposed off.

The file after needful be consigned to records.

-Sd- -Sd- -Sd-(Shashi Kant Joshi) (Yashwant Singh Chogal) (Devendra Kumar Sharma) Member Member(Law) Chairman