

HIMACHAL PRADESH ELECTRICITY REGULATORY COMMISSION, SHIMLA
NOTIFICATION
Shimla, the 3rd June, 2021

No. HPERC/438.- WHEREAS the Himachal Pradesh Electricity Regulatory Commission (hereinafter referred as “the Commission”) notified the Himachal Pradesh Electricity Regulatory Commission (Renewable Power Purchase Obligation and its Compliance) Regulations, 2010, which were published in the Rajpatra, Himachal Pradesh, dated 29th May, 2010;

AND WHEREAS the Central Government notified the revised Tariff Policy which was published vide Gazette of India, Extraordinary, Part-1, Section-1 dated 28.01.2016;

AND WHEREAS para 6.4(1) of the 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:

Provided that cogeneration from sources other than renewable sources shall not be excluded from the applicability of RPOs;

AND WHEREAS on 8th March, 2019, the Ministry of Power (MoP), Government of India vide office memorandum No. 15/02/2016-H-1(Pt) dated 8th March, 2019, has issued various policy measures to promote hydro power sector in India intra-alia declared Large Hydro Projects [(LHPs) i.e. > 25 MW projects] as Renewable Energy Sources. As per the aforesaid office memorandum, the Hydro Purchase Obligation (HPO) is considered as a separate entity within Non-Solar Renewable Purchase Obligation (RPO). The HPO shall cover the LHPs commissioned after 8th March, 2019.

AND WHEREAS Ministry of Power (MoP), Government of India vide order 23/03/2016-R&R dated 29th January, 2021 has issued the RPO trajectory including HPO mentioning that the SERCs may considered to notify the said RPO trajectory for their respective States.

NOW, THEREFORE, in exercise of the powers conferred by sub-section (1) of section 62, section 66, clauses (a), (b) and (e) of section 86 and subsection (1), clause (zi) of sub-section (2) of section 181, of the Electricity Act, 2003 (36 of 2003), read with section 21 of the General Clauses Act, 1897 (10 of 1897), and all other powers enabling it in this behalf, the Commission proposes to amend the Himachal Pradesh Electricity Regulatory Commission (Renewable Power

Purchase Obligation and its Compliance) Regulations, 2010 and as required by sub-section (3) of section 181 of the said Act and rule 3 of the Electricity (Procedure for Previous Publication) Rules, 2005, the draft amendment regulations is hereby published for the information of all the persons likely to be affected thereby; and notice is hereby given that the said draft amendment regulations will be taken into consideration after the expiry of thirty (30) days from the date of notification together with any objections or suggestions which may within the aforesaid period be received in respect thereto.

The text of the aforesaid draft amendment regulations is also available on the website of the Commission i.e. <http://www.hperc.org>.

The objections or suggestions in this behalf should be addressed to the Secretary, Himachal Pradesh Electricity Regulatory Commission, Vidyut Aayog Bhawan, Block-37, SDA Complex, Kasumpti-171009 (HP).

DRAFT REGULATIONS

1. Short title and commencement. - (1) These regulations may be called the Himachal Pradesh Electricity Regulatory Commission (Renewable Power Purchase Obligation and its Compliance) (Seventh Amendment) Regulations, 2021.

(2) These regulations shall come into force from the date of their publication in the Rajpatra, Himachal Pradesh.

2. Amendment of Regulation 2.- The clause (g) of Regulations (2) of the Himachal Pradesh Electricity Regulatory Commission (Renewable Power Purchase Obligation and its Compliance) Regulations, 2017 shall be substituted with the following, namely.-

“(g) **“renewable energy sources”** means non-conventional renewable electricity generating sources such as mini/micro/small hydro power projects upto and including 25 MW capacity, wind, solar including its integration with combined cycle, biomass, bio-fuel cogeneration, urban or municipal waste and such other sources as recognized or approved by the Central Government. The energy generated from Large Hydro Projects (LHPs) with an installed capacity above 25 MW which come into commercial operation after 8th March, 2019 shall be eligible for fulfilling the Hydro Power Purchase Obligation (HPO) only. However, Solar and other Non-Solar renewable power obligation can be met from energy of eligible Large Hydro Projects (LHPs), beyond HPO, in case of compliance to the extent of 85% and above, under these obligations.”

3. Amendment of Regulation 4.- In regulation 4 of the Himachal Pradesh Electricity Regulatory Commission (Renewable Power Purchase Obligation and its Compliance) Regulations, 2010-

(a) for the Table, the following table shall be substituted, namely:-

“ Table-Minimum percentage for Renewable Power Purchase Obligation

Year	Minimum Quantum of Purchase in percentage (%) from renewable sources (in terms of energy in kWh) of total consumption.				
	Solar RPO	Non – Solar RPO			Total
		HPO	Other Non-Solar	Total Non- Solar	
2021-22	10.50%	0.18%	10.50%	10.68%	21.18%
2022-23	As specified by the Commission.	0.35%	As specified by the Commission.	As specified by the Commission.	As specified by the Commission.
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%			

- (a) The RPPO will be on total consumption of electricity by an obligated entity, excluding consumption met from hydro-electric sources of power.
- (b) Hydro Power Purchase Obligation (HPO) shall be met from the power procured from large hydro power projects including pump storage projects having capacity more than 25 MW (LHP) 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 Development Fund (LADF) shall not be included within the limit of 70% of the total generated capacity.
- (c) 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 the point of time excluding the contribution towards Local Area Development Fund 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. In case the free power is insufficient to meet the HPO obligations, then additional hydro power to meet HPO obligations.
- (d) Hydro Power imported from outside India shall not be considered for meeting HPO.;
- (e) In case the achievement of Solar RPO compliance to the extent of 85% and above, the remaining shortfall if any, can be met by excess Non-Solar energy purchased beyond specified Non-Solar RPO for that particular year.
- (f) In case on achievement of other Non-Solar RPO compliance to the extent of 85% and above, the remaining shortfall if any, can be met by excess Solar or eligible hydro energy purchased beyond specified Solar RPO or HPO for that particular year.
- (g) Further, in case on achievement of HPO compliance to the extent of 85% and above, the remaining shortfall if any, can be met by excess Solar or other Non-Solar energy purchased beyond specified Solar or Non Solar RPO for that particular year.

(b) for the Schedule under Sub-regulation (2A) of regulation 4, the following schedule shall be substituted, namely :-

Schedule

“(see sub-regulation (2A) of regulation 4)

Minimum Percentage for Renewable Power Purchase obligation

Year in which the original capacity of the captive generating plant is commissioned or augmented	Minimum Quantum of Purchase in percentage (%) from renewable sources (in terms of energy in kWh) of total consumption.			
	Solar	HPO	Other Non-Solar	Total
2021-22	10.50%	0.18%	10.50%	21.18%
2022-23	As specified by the Commission.	0.35%	As specified by the Commission.	As specified by the Commission.
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%		

- (a) The RPPO will be on total consumption of electricity by an obligated entity, excluding consumption met from hydro-electric sources of power.
- (b) Hydro power Purchase Obligation (HPO) shall be met from the power procured from large hydro power projects including pump storage projects having capacity more than 25 MW (LHP) 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 Development Fund (LADF) shall not be included within the limit of 70% of the total generated capacity.
- (c) 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 the point of time excluding the contribution towards Local Area Development Fund 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.
- (d) Hydro Power imported from outside India shall not be considered for meeting HPO.
- (e) In case the achievement of Solar RPO compliance to the extent of 85% and above, the remaining shortfall if any, can be met by excess Non-Solar energy purchased beyond specified Non-Solar RPO for that particular year.
- (f) In case on achievement of other Non-Solar RPO compliance to the extent of 85% and above, the remaining shortfall if any, can be met by excess Solar or eligible hydro energy purchased beyond specified Solar RPO or HPO for that particular year.”
- (g) Further, in case on achievement of HPO compliance to the extent of 85% and above, the remaining shortfall if any, can be met by excess Solar or other Non Solar energy purchased beyond specified Solar or Non Solar RPO for that particular year.
- (h) In case where the capacity of CPP is augmented after 31.03.2016, the year in which the capacity augmentation takes place shall be considered for applicability of RPPO rates for the entire augmented capacity. Similarly, if the capacity is further augmented, the year in which the latest augmentation takes place, shall be considered for RPPO.

Note: The RPO trajectory as specified by the Commission in the regulations/schedule or any other omitted/revised provisions, from time to time, for the respective years shall remain applicable and provisions to that extent shall be considered to have been saved in the regulations.”

By order of the Commission

Sd/-
(Neelam Dulta, HPAS)
Secretary