

**HIMACHAL PRADESH ELECTRICITY REGULATORY COMMISSION,
SHIMLA**

NOTIFICATION

Shimla, the 11th August, 2016

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 (hereinafter referred as “the Principal RPO Regulations, 2010”);

AND WHEREAS the Regulation 3 of the Principal RPO Regulations, 2010, provides that the said regulations will be applicable to the distribution licensee or any person, consuming electricity procured from conventional sources through open access third party sale or person who installs Captive Generating Plant, with an installed capacity exceeding 5 MVA, based on conventional technology and consumes electricity from such Plant purely for meeting his Standby (or emergency back-up) requirements in the exceptional circumstances of power cuts/breakdowns etc. in his normal source of power; and/or any person who installs Captive Generating Plant, with an installed capacity exceeding 1 MVA, based on conventional technology (i.e. other than renewable energy technology) and consumes electricity from such Plant for meeting his normal requirements apart from his Standby (or emergency back-up) requirements also;”

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 further, para 6.4 (1) (i) also provides that within the percentage so made applicable, to start with, the SERCs shall also reserve a

minimum percentage for purchase of solar energy from the date of notification of this policy which shall be such that it reached 8% of total consumption of energy, excluding Hydro Power, by March, 2022 or as notified by the Central Government from time to time.

AND WHEREAS now, in view of the above provisions and in order to achieve the target of 1,75,000 MW renewable energy by March, 2022, the Ministry of Power in consultation with Ministry of New and Renewable Energy, GoI has notified the Long-term growth trajectory of Renewable Purchase Obligations (RPOs) for Non-Solar as well as Solar Energy, uniformly for all States/Union Territories, initial for three years from 2016-17 to 2018-19 vide Order No. 23/3/2016-R&R dated 22.07.2016. This has necessitated the amendment of Regulation 4 of the Principal RPO Regulations, 2010;

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 sub-section (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 are 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 twenty one (21) 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 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, Keonthal Commercial Complex, Khalini, Shimla- 171002.

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) (Third Amendment) Regulations, 2016.
(2) These regulations shall come into force from the date of their publication in the Rajpatra, Himachal Pradesh.

2. **Amendment of Regulation 4.-** For the existing Regulation 4 of the Principal RPO Regulations, 2010, the following Regulation 4 shall be substituted, namely:-

“4.Quantum of Renewable Power Purchase Obligation (RPPO):-

(1) As specified in the Table below,-

- (a) the distribution licensee shall purchase electricity (in kWh) from renewable sources, at a minimum percentage of the total consumption including transmission and distribution losses, within area of the distribution licensee, during a year; and
- (b)the Captive and Open Access User(s)/Consumer(s) shall purchase electricity (in kWh) from renewable sources, at a minimum percentage of his total consumption including transmission and distribution losses, during a year:-

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.		
	Non-Solar	Solar	Total
2016-17	8.75%	2.75%	11.50%
2017-18	9.50%	4.75%	14.25%
2018-19	10.25%	6.75%	17.00%
The said obligations will be applicable on total consumption of electricity by an obligated entity, excluding consumption met from hydro electric sources of power.			

Provided that the solar power purchase obligation shall be fulfilled from the generation based on solar sources only:

Provided further that such obligation to purchase renewable energy shall not include the power purchased at pooled cost as specified in the Central Electricity Regulatory Commission (Terms and Conditions of Renewable Energy Certificate for Renewable Energy Generation) Regulations, 2010, but shall be inclusive of -

- (i) purchases from generating stations, based on renewable energy sources,
- (ii) purchases from any other distribution licensee, which would arise from renewable energy sources,
- (iii) the energy generated from its own renewable sources, if any, by the obligated entity;

Provided further that the power purchases under the power purchase agreements from renewable energy sources, already entered into by the distribution licensees, shall continue to

be made till their present validity, even if the total purchases under such agreements exceed the percentage as specified hereinbefore”.

- (2) Keeping in view the supply constraints or other factors beyond the control of the distribution licensee, the Commission may, suo-motu or at the request of a licensee, revise the percentage targets for a year as per sub-regulation (1) of this regulation.

By order of the Commission

Sd/-
(K.S. Dhaulta)
Secretary