

**BEFORE THE GUJARAT ELECTRICITY REGULATORY COMMISSION,  
GANDHINGAR**

**Suo-Motu Petition No. 1847/2019**

**In the matter of:**

**Monitoring of compliance of the distribution licensee for the FY 2018-19 under the GERC (Procurement of Energy from Renewable Sources) Regulations, 2010 and subsequent amendments made thereto.**

**Respondents: 1) MPSEZ Utilities Private Limited**

**2) AspenPark Infra Vadodara Private Limited**

**3) Jubilant Infrastructure Limited**

**4) GIFT Power Company Limited**

**5) Deendayal Port Trust**

**6) Gujarat Energy Development Agency**

**Facts of the case:**

1. The Commission has notified GERC (Procurement of Energy from Renewable Sources) Regulations, 2010 and GERC (Procurement of Energy from Renewable Sources) (First Amendment) Regulations, 2014 and GERC (Procurement of Energy from Renewable Sources) (Second Amendment), Regulations, 2018 which, inter-alia, stipulates the Renewable Purchase Obligation (RPO) to be fulfilled by the Distribution Licensees in the State of Gujarat during the period 2017-18 to 2021-22.

2. Regulation 4 of the principal Regulations viz. GERC (Procurement of Energy from Renewable Sources) Regulations, 2010 and GERC (Procurement of Energy from Renewable Sources) (First Amendment) Regulations, 2014, reads as under:

*4. "Quantum of Renewable Purchase Obligation (RPO) (GERC (Procurement of Energy from Renewable Sources) Regulations, 2010 4.1 Each distribution licensee shall purchase electricity (in kWh) from renewable energy sources, at a defined minimum percentage of the total consumption of its consumers including T&D losses during a year. Similarly, Captive and Open Access user(s) / consumer(s) shall purchase electricity (in kWh) from renewable energy sources, at a defined minimum percentage of his/her total consumption during a year.*

3. Clause 3 of the GERC (Procurement of Energy from Renewable Sources) (Second Amendment), Regulations, 2018, read as under:

*3) Substitution of Table I of Regulation 4.1: Table I provided in the Gujarat Electricity Regulatory Commission (Procurement of Energy from Renewable Sources) (First Amendment) Regulations, 2014 is substituted by following Table - I and II*

*TABLE - II : Year Minimum Quantum of purchase (in % from renewable energy sources (in terms of energy in kWh)*

	<i>Minimum Quantum of purchase (in %) from renewable energy sources (in terms of energy in kWh)</i>			
<i>Year</i>	<i>TOTAL</i>	<i>Wind</i>	<i>Solar</i>	<i>Others (Biomass, Bagasse, MSW, etc.)</i>
<i>2017-18</i>	<i>10.00</i>	<i>7.75</i>	<i>1.75</i>	<i>0.5</i>
<i>2018-19</i>	<i>12.70</i>	<i>7.95</i>	<i>4.25</i>	<i>0.5</i>
<i>2019-20</i>	<i>14.30</i>	<i>8.05</i>	<i>5.5</i>	<i>0.75</i>
<i>2020-21</i>	<i>15.65</i>	<i>8.15</i>	<i>6.75</i>	<i>0.75</i>
<i>2021-22</i>	<i>17.00</i>	<i>8.25</i>	<i>8.0</i>	<i>0.75</i>

As provided in the above table the RPO for the year 2018-19 has been fixed at 12.70 % including 7.95 % from Wind, 4.25 % from Solar and 0.5 % from Other renewable sources.

4. The Commission in exercise of the powers conferred under Sections 61, 86(1)(e) and 181 of the Electricity Act, 2003 read with sub-regulation (iv) of Regulation 1 and Regulation 8 of the Gujarat Electricity Regulatory Commission (Procurement of Energy from Renewable Sources) Regulations, 2010 (Notification No.3 of 2010) (Principal Regulations) and Gujarat Electricity Regulatory Commission (Procurement of Energy from Renewable Sources) (First Amendment) Regulations, 2014 (Notification No. 2 of 2014), and all other powers enabling it in this behalf has notified Notification No. 2 of 2015 dated 1<sup>st</sup> day of July, 2015, whereby 1<sup>st</sup> day of July, 2015 is notified as the date on which the sub-regulation (iv) of Regulation 1 and Regulation 8 of Gujarat Electricity Regulatory Commission (Procurement of Energy from Renewable Sources) Regulations, 2010 (Notification No.3 of 2010) shall come into force and the Renewable Purchase Obligation shall become applicable to Captive and Open Access User(s)/Consumer(s).
5. Regulation 5 of the Principal Regulations provides an alternate mechanism for fulfilment of R.P.O. which reads as under:

***“5. Certificates under the Regulations of the Central Commission***

*5.1 Subject to the terms and conditions contained in these Regulations, the Certificates issued under the Central Electricity Regulatory Commission’s (Terms and Conditions for recognition and issuance of Renewable Energy Certificate for Renewable Energy Generation) Regulations, 2010 shall be the valid*

*instruments for the discharge of the mandatory obligations set out in these Regulations for the obligated entities to purchase electricity from renewable energy sources.....”*

6. Further, the Commission has notified, Gujarat Energy Development Agency (Respondent no. 7) as the State Agency to monitor the compliance of the RPO vide notification No. 3 of 2010. Thus, it is the duty of the GEDA to monitor the fulfilment of the RPO by the obligated entities and in case of non-fulfilment of the RPO by the obligated entity (ies), should inform the same to the Commission, to enable the Commission to take appropriate decision regarding non-compliance of RPO by the entity concerned as provided in the Regulations. Further, apart from the Distribution Licensees, Captive and Open Access consumers within the State have also been identified as Obligated Entities who should comply with RPO targets stipulated by the Commission in para 2 above.
  
7. We note that GUVNL on behalf of MGVCL, DGVCL, UGVCL and PGVCL has filed Petition No. 1808 of 2019. The Commission in its daily order dated 23.10.2019 in the aforesaid Petition has decided as under: -

*“2.4. We, therefore, decide to initiate the process of Suo-motu proceedings for verifying the compliance of RPO by Torrent Power Limited (Ahmedabad/Gandhinagar/Surat and Dahej), MPSEZ Utilities Private Limited, Deendayal Port Trust, Aspen Infrastructure Private Limited, Jubilant Infrastructure Limited and GIFT Power Company Limited for FY 2018-19. The Office of the Commission is directed to initiate necessary actions in this regard.”*

8. Considering the above facts, and the Commission's decision to initiate Suo-Motu proceedings in order to verify the compliance of the RPO by the distribution licensees of the State and in case of any default by the distribution licensee, to decide the appropriate actions that may be required to be initiated against the defaulting distribution Licensee concerned, in accordance with the provisions of the Electricity Act, 2003 read with GERC (Procurement of Energy from Renewable Sources) Regulations, 2010 read with amendments made thereto, the present Suo-motu proceedings are initiated by the Commission for the following licensees:

1. MPSEZ Utilities Private Limited
2. AspenPark Infra Vadodara Private Limited
3. Jubilant Infrastructure Limited
4. GIFT Power Company Limited
5. Deendayal Port Trust
6. Gujarat Energy Development Agency

9. GEDA is notified as the State nodal agency for monitoring of the RPO compliance. Hence, GEDA is also made a party to this Suo-Motu proceedings and to assist the Commission in hearings. GEDA has submitted the status of compliance of RPO for the FY 2018-19, based on the data furnished by different distribution licensees, which is given at **Annexure-I**.

10. We, therefore, direct the Respondent distribution licensees to submit the reasons for partial/non-compliance of RPO, if any, and action

taken for fulfilment of their obligations along with an affidavit in support thereof in five copies. Further, the distribution licensees are directed to follow the procedures of inviting comments and suggestions from the stakeholders by publishing public notice and hosting the petition with all the relevant documents on their respective website.

11. GEDA is also directed to make its submissions regarding compliance of RPO by different licensees for FY 2018-19 by enclosing the relevant data. GEDA may also submit any other facts which it may consider appropriate for consideration of the Commission in five copies with an affidavit in support of its submission.
12. The above licensees and GEDA are directed to file their submissions if any, alongwith the necessary supporting documents before the Commission on or before 10/01/2020 to enable the Commission to decide the issue in the present petition.
13. The Commission has further decided and directed to the Staff of the Commission that the present Suo-Motu Petition be hosted on the website of the Commission and issue public notice in two daily Gujarati Newspapers and one English Newspaper having wide circulation in the State/National level to invite comments/suggestions from the stakeholders. Any person who desires to file his submissions on the subject matter may file it alongwith an affidavit in support thereof in five copies to the Secretary, Gujarat Electricity Regulatory Commission, 6th floor, GIFT Tower -1, GIFT CITY, Gandhinagar on or before 10/01/2020.

14. The Commission will pass an appropriate order in the matter after hearing all the respondents and concerned persons. The Commission will decide the date of hearing, the matter and notice for which will be communicated separately.

Sd/-  
[Roopwant Singh, IAS]  
Secretary  
Gujarat Electricity Regulatory Commission  
Gandhinagar, Gujarat

Date: 06/12/2019.  
Place: Gandhinagar.

## Annexure - I

<b>RPO Status Report of Obligated Entities for period of April 2018 to March 2019</b>							
<b>(Up to 4<sup>th</sup> Quarter of FY 2018-19)</b>							
<b>GUVNL - Consumption of units during 2018-19 (Q4) - 88778 MUs (Estimated)</b>							
	RPO 2018-19 (%)	Required MUs	Actual RE Purchased (MUs)	REC's purchased (MUs)	Total MUs up to present quarter	Shortfall / (Excess) in MUs	RPO Achieved (%)
Solar	4.25%	3773	2455	0	2455	1318	2.77%
Non-Solar	8.45%	7502	8234	0	8234	-732	9.27%
<b>Total</b>	<b>12.70%</b>	<b>11275</b>	<b>10689</b>	<b>0</b>	<b>10689</b>	<b>586</b>	<b>12.04%</b>
<b>TPL (Ahmedabad + Surat) - Consumption of units during FY 2018-19 (Q4) - 11760 MUs (Actual)</b>							
Solar	4.25%	499.82	331.28	100	431.28	68.54	3.67%
Non-Solar	8.45%	993.76	834.13	101.28	935.41	58.35	7.95%
<b>Total</b>	<b>12.70%</b>	<b>1493.58</b>	<b>1165.41</b>	<b>201.28</b>	<b>1366.69</b>	<b>126.89</b>	<b>11.62%</b>
<b>TPL (Dahej) - Consumption of units during FY 2018-19 (Q4) - 441 MUs (Actual)</b>							
Solar	4.25%	18.75	10.28	0	10.28	8.47	2.33%
Non-Solar	8.45%	37.27	29.69	0	29.69	7.58	6.73%
<b>Total</b>	<b>12.70%</b>	<b>56.02</b>	<b>39.97</b>	<b>0.00</b>	<b>39.97</b>	<b>16.05</b>	<b>9.06%</b>
<b>MPSEZ Utilities Pvt. Limited - Consumption of units during FY 2018-19 (Q4) - 310 MUs (Actual)</b>							
Solar	4.25%	13.19	4.60	7.78	12.38	0.81	3.99%
Non-Solar	8.45%	26.22	5.75	23.53	29.28	-3.06	9.43%
<b>Total</b>	<b>12.70%</b>	<b>39.41</b>	<b>10.35</b>	<b>31.31</b>	<b>41.66</b>	<b>-2.25</b>	<b>13.42%</b>