



केन्द्रीय विद्युत विनियामक आयोग

CENTRAL ELECTRICITY REGULATORY COMMISSION



No. RA-14026/3/2019-CERC

Dated: 24th January, 2022

Shri K.V.S. Baba
Chairman and Managing Director
Power System Operation Corporation Ltd.
B-9 1st Floor,
Qutub Institutional Area,
Katwaria Sarai,
New Delhi - 110016

Subject: Approval of modification of REC Procedures

Sir,

You may be aware that the Government of India (GOI) launched the Regulatory Compliance Portal (a central online repository of all Central and State level compliances) on 1st January, 2021. Under this initiative, all Central Ministries/ Departments and States/ Union Territories are required to examine laws/ regulations/ rules, under their purview, and implement an 'Action Plan' to rationalize and simplify the processes and remove burdensome compliances, decriminalize laws and repeal redundant provisions.

2. After detailed analysis, some provisions of the REC Procedures in accordance with the Central Electricity Regulatory Commission (Terms and Conditions for recognition and issuance of Renewable Energy Certificate for Renewable Energy Generation) Regulations, 2010 (hereinafter referred to as "the REC Regulations 2010") have been reviewed in terms of time and cost burden and new age digital technologies by the Commission.

3. In view of above and by virtue of Clause (3) of Regulation 3 of the REC Regulations 2010, the modifications to the following REC procedures have been approved by the Commission as per the Annexure enclosed.

- a) Procedure for Registration of a Renewable Energy Generator or Distribution Licensee
- b) Procedure for Issuance of Renewable Energy Certificates to the Eligible Entity by Central Agency
- c) Model Procedure/ Guidelines for Accreditation of a Renewable Energy Generator or Distribution Licensee

4. It is requested that wide publicity be given to the above REC Procedures for information and compliance of all concerned.

Encl : as above.

Yours faithfully,

24/01/2022
(Sanoj Kumar Jha)
Secretary

तीसरी मंजिल, चन्द्रलोक बिल्डिंग, 36, जनपथ, नई दिल्ली-110 001
Third Floor, Chanderlok Building, 36, Janpath, New Delhi-110 001
Phone : 91-11-2335 3503 Fax : 91-11-2375 3923 E-mail : info@cercind.gov.in

Annexure

MODIFICATIONS IN REC PROCEDURES IN ACCORDANCE WITH THE CENTRAL ELECTRICITY REGULATORY COMMISSION (TERMS AND CONDITIONS FOR RECOGNITION AND ISSUANCE OF RENEWABLE ENERGY CERTIFICATE FOR RENEWABLE ENERGY GENERATION) REGULATIONS, 2010

I. Procedure for Registration of a Renewable Energy Generator or Distribution Licensee, as the case may be, issued by the Central Agency in pursuance of the Central Electricity Regulatory Commission (Terms and Conditions for recognition and issuance of Renewable Energy Certificate for Renewable Energy Generation) Regulations, 2010 as amended from time to time.

- (i) Clause 2.5 (regarding APPLICABILITY AND SCOPE) has been modified as follows:

*"2.5 The registration granted by the Central Agency to the Generating Company/ Distribution Licensee as Eligible Entity shall remain valid for a period of ~~five~~ **ten** years from the date of registration unless otherwise revoked prior to such validity period in pursuance of conditions for revocation as outlined under this Procedure. The Validity of Registration may be extended beyond ~~5~~ **ten** years as per para 4.1(f) of this Procedure."*

- (ii) Clause 3 (regarding STEP-WISE DESCRIPTION OF THE PROCEDURE) has been modified as follows:

*"**STEP 1:** An application for availing registration shall be made by the RE Generating Company or Distribution Licensee, as the case may be to the Central Agency, as defined under Clause 2(1) (b) of the CERC REC Regulations. The applicant shall apply for Registration on the Web Based Application of ~~and shall also submit the same information in physical form with the Central agency.~~"*

- (iii) Sub-clauses (f) and (h) of Clause 4.1 (regarding FUNCTIONS, ROLES AND RESPONSIBILITIES OF ENTITIES INVOLVED) have been modified as:

"f. The generating company or Distribution Licensee, as the case may be, shall apply for revalidation or extension of validity of existing Registration at least ~~three~~ **one** months in advance prior to expiry of existing Registration.

In case, RE generator has submitted online application for revalidation of Accreditation to State Agency before expiry of the Accreditation Certificate, and during the process of approval by State Agency, Registration Certificate is expired, in such cases, Central Agency will accept the application for re-validation of Registration. Subsequent to re-validation of Registration, the concerned RE Generator will continue to receive RECs without considering any gap in the process of re-validation of Accreditation/Registration

Further the Central Agency shall send system alerts regularly at least four months prior to the expiry of registration till the filing of application for revalidation of registration.

Further, Central Agency will reject the application of those RE generators who have not initiated the process of Accreditation/Registration before expiry of the Accreditation Certificate."

*"h. Whenever there is a change in legal status of registered entity (e.g. change from partnership to company, Pvt. Limited to Public Limited, new entity subsequent to demerger, change in ownership of the company, asset sale/transfer to other company, etc.), it shall inform the concerned State Agency and the Central Agency within ~~one~~ **three** months from the date of said change, along with the **relevant documents certified by appropriate authority as proof of change of legal status** following:*

- i) ~~request for revocation of the project from the REC Mechanism~~*
- ii) ~~request for re-accreditation/fresh accreditation and re-registration/fresh accreditation of the project under REC, if desired~~*
- iii) ~~request for transfer of RECs to the new entity~~*

*Supporting documents including **request for transfer of RECs to the new entity**, revised PPAs (if any) and Certificate from Registrar of Companies must be submitted."*

- (iv) Clause 11.1 (regarding Reduction of the registered capacity of the RE generating plants under REC Mechanism) has been modified as:

*"11.1 If the registered RE project wants to reduce the registered capacity then application for the same shall be submitted online. Subsequently, the eligible entity has to submit the application in ~~hard~~ **soft** copy to State Agency*

for issuance of revised Accreditation Certificate. Subsequent to receiving of the new accreditation certificate from State Agency and application for the reduction of the capacity from the eligible entity, Central Agency will reduce the capacity registered under REC Mechanism”

II. Procedure for Issuance of Renewable Energy Certificates to the Eligible Entity by Central Agency, in pursuance of the Central Electricity Regulatory Commission (Terms and Conditions for recognition and issuance of Renewable Energy Certificate for Renewable Energy Generation) Regulations, 2010 as amended from time to time.

Sub-clause (e) of Clause 4.1 (regarding FUNCTIONS, ROLES AND RESPONSIBILITIES OF ENTITIES INVOLVED) has been modified as:

*“e) The Eligible Entity shall comply with the duties and obligations **stipulated in the Detailed Procedure** specified by the Central Agency.”*

III. Model Procedure/ Guidelines for Accreditation of a Renewable Energy Generator or Distribution Licensee, as the case may be, issued by the State Agency.

(i) Sub-clause (i) and (j) of Clause 4.1 (regarding FUNCTIONS, ROLES AND RESPONSIBILITIES OF ENTITIES INVOLVED) have been modified as:

*“i. The Generating Company or Distribution Licensee, as the case may be, shall apply through REC web application for revalidation or extension of validity of existing accreditation at least ~~three~~ **one** month in advance prior to expiry of existing Accreditation.”*

*“j. Whenever there is a change in legal status of registered entity (~~e.g. change from partnership to company, Pvt. Limited to Public Limited, new entity subsequent to demerger, change in ownership of the company, asset sale/transfer to other company, etc.~~), it shall inform the concerned State Agency and the Central Agency within ~~one~~ **three months** from the date of said change, along with the **relevant documents** certified by appropriate authority as proof of change of legal status ~~following:~~*

- i) ~~request for revocation of the project from the REC Mechanism~~*
- ii) ~~request for re-accreditation/fresh accreditation and re-registration/fresh registration of the project under REC, if desired~~*

iii) ~~request for transfer of RECs to the new entity~~

Supporting documents including *request for transfer of RECs to the new entity*, revised PPAs (if any) and Certificate from Registrar of Companies must be submitted."

(ii) Clause 2.7 (regarding APPLICABILITY AND SCOPE) has been modified as:

"2.7 The permission granted by the State Agency in the form of accreditation certificate to the Generating Company for the accredited RE Generation Project or Distribution Licensee, as the case may be shall be valid for a period of ~~five~~ *ten* years from the date of accreditation unless otherwise revoked prior to such validity period in pursuance of conditions for revocation as outlined under this Procedure. The validity of Accreditation may be extended beyond ~~5~~ *10* years as per para 4.1(i) of this Procedure."

(iii) Clause 3: Step 6 (STEP-WISE DESCRIPTION OF THE PROCEDURE)

"STEP 6: The State Agency, after duly inspecting/verifying conditions elaborated in Step 5, shall intimate the applicant regarding its eligibility and thereafter, the applicant shall pay One Time Accreditation fee and Annual fee for that financial year and submit the required documentary proof *online* to the State Agency. In case the applicant is not eligible and accreditation is not granted then the reasons for rejecting the application for accreditation shall be recorded and intimated to Applicant in writing within 30 days."

(iv) Sub-clauses 9.1 and 9.5 of Clause 9 (regarding EVENT OF DEFAULT AND CONSEQUENCES THERE OF) have been modified as:

"9.1 Non-payment or delay in payment of annual Accreditation charges by Eligible Entity beyond ~~15~~ *30* days from due date of payment of such annual accreditation charges shall constitute event of default by that Eligible Entity.

"9.5 Persistent ~~Occurrence~~ of any of the event of default *for more than two occasions* by Eligible Entity shall result into revocation of Accreditation granted to such Eligible Entity for that RE Generation Project."
