

JOINT ELECTRICITY REGULATORY COMMISSION
FOR THE STATE OF GOA AND UNION TERRITORIES
GURUGRAM

Quorum
Shri M.K. Goel, Chairperson
Smt. Neerja Mathur, Member

Suo-Moto Petition No. 61/2012
Date of Hearing: 27.05.2019
Date of Order: 02.08.2019

In the matter of:

Compliance of the Joint Electricity Regulatory Commission, for the State of Goa and UTs (Procurement of Renewable Energy) Regulations, 2010 regarding Renewable Purchase Obligation (RPO).

And in the matter of:

- 1) Secretary (Power), Government of Goa
- 2) Secretary (Power), UT of Andaman & Nicobar
- 3) Secretary (Power), UT of Chandigarh
- 4) Secretary (Power), UT of Daman & Diu
- 5) Managing Director DNHPDCL, UT of Dadra and Nagar Haveli
- 6) Secretary (Power), UT of Lakshadweep
- 7) Secretary (Power), UT of Puducherry

..... Respondents

Present

For the Respondent

1. Shri Damodar R. Naik, Asstt. Engineer, Electricity Department, Goa
2. Shri Vinod Kavleker, Executive Engineer, Electricity Department, Goa
3. Shri Siddhartha Ramakanth K., Consultant, Electricity Department, Goa
4. Shri B.Ajit Kumar, Executive Engineer, Electricity Department, Andaman & Nicobar
5. Shri U.K. Patel, Asstt. Executive Engineer, Electricity Department, Chandigarh
6. Shri M.R. Ingle, Executive Engineer, Electricity Department, Daman
7. Shri Dilesh Solanki, Asstt. Engineer, Electricity Department, Daman
8. Shri Sandhya Dilip, Asstt. Engineer, Electricity Department, DNHPDCL
9. Shri Dharwesh Khan, Asstt. Engineer, Electricity Department, Lakshadweep
10. Shri R. Murali, Superintending Engineer, Electricity Department, Puducherry

ORDER

The Commission has been conducting Suo-moto hearings in the matter of compliance of the Renewable Purchase Obligation (RPO) targets. In continuation to the stated Suo-moto proceedings, the present hearing was held to cover the period of compliance of RPO targets up to the FY 2018-19.

The Commission has also received detailed information along with action plan for the FY 2019-20 regarding compliance of the RPO targets on affidavit from Respondent No. 1. The same has been taken on record.

1. Electricity Department, Goa: Respondent No. 1

The Commission examined the report submitted by the respondent no. 1 and has calculated the RPO targets based on latest figures of sales available, which are summarized below:

In MUs

Cumulative Shortfall upto 2017-18		Target Mu of 2018-19		Actual Achievement of 2018-19		Shortfall of 2018-19		Cumulative Short Fall upto 2018-19		Target 2019-20		Cumulative Short Fall upto 2019-20	
Solar	Non-Solar	Solar	Non-Solar	Solar	Non-Solar	Solar	Non-Solar	Solar	Non-Solar	Solar	Non-Solar	Solar	Non-Solar
1	2	3	4	5	6	7 =(3-5)	8 =4-6	9= (1+7)	10 =(2+8)	11	12	13 =(9+11)	14 =(10+12)
4.05	3.91	136.50	204.76	138.88	204.98	-2.38	-0.22	1.67	3.68	187.05	270.62	188.72	274.31

The Commission observed that the Respondent No. 1 has achieved 102% and 100% of the target set for FY 2018-19 (136.50 MUs for Solar RPO and 204.76 MUs for non-Solar RPO) by procuring 138.88 MUs and 204.98 MUs respectively. However, they have a minor shortfall in clearing the backlog upto FY 2017-18 leading to a shortfall of 1.67 MUs in Solar and 3.68 MUs upto FY 2018-19. The RPO requirement for 2019-20 including backlog is 188.72 MUs for Solar RPO and 274.31 MUs for non-Solar RPO. The Commission while appreciating the efforts of Goa Electricity department takes notice of the same and directs Respondent No. 1 to continue its efforts for 100% compliance of RPOs during FY 2019-20 as notified by the Commission from time to time

including the backlog. The Commission further directs the Respondent No. 1 to submit quarterly compliance reports of RPOs as provided under Regulation 3.3 of (Procurement of Renewable Energy) Regulations, 2010 to the State Nodal Agency and the Commission, without fail.

2. Electricity Department, UT Andaman and Nicobar: Respondent No. 2

The Commission examined the report submitted by the respondent no. 2 and has calculated the RPO targets based on latest figures of sales available, which are summarized below:

In MUs

Cumulative Shortfall upto 2017-18		Target Mu of 2018-19		Actual Achievement of 2018-19		Shortfall of 2018-19		Cumulative Short Fall upto 2018-19		Target 2019-20		Cumulative Short Fall upto 2019-20	
Solar	Non-Solar	Solar	Non-Solar	Solar	Non-Solar	Solar	Non-Solar	Solar	Non-Solar	Solar	Non-Solar	Solar	Non-Solar
1	2	3	4	5	6	7 =(3-5)	8 =4-6	9= (1+7)	10 =(2+8)	11	12	13 =(9+11)	14 =(10+12)
NIL	NIL	9.49	14.23	8.10	16.60	1.39	-2.37	1.39	NIL	13.27	19.19	14.65	19.19

The Respondent No. 2 has fulfilled its RPO obligations up to FY 2017-18. The Commission has observed that Respondent No. 2 has complied 85% for Solar RPO during FY 2018-19 i.e. achievement was 8.1 MUs as against a target of 9.5 MUs. However, the non-solar RPOs compliance has been 117% as 16.6 MUs from non-solar sources were procured against the target of 14.2 MUs. This over achievement was due to higher hydro generation within its territory. However, the compliance of combined RPO Targets (both Solar and Non-Solar) is 104% for FY 2018-19 by Respondent No. 2.

The Commission directs the Respondent No. 2 to make more efforts to achieve 100% target of solar RPOs during FY 2019-20, including the back log of FY 2018-19 i.e. 14.65 MUs for Solar and 19.19 MUs for Non-Solar, as notified by the Commission from time to time. The Commission further directs the Respondent No. 2 to submit quarterly compliance reports of

RPOs as provided under Regulation 3.3 of (Procurement of Renewable Energy) Regulations, 2010 to the State Nodal Agency and the Commission, without fail.

3. Electricity Department, UT Chandigarh: Respondent No. 3

The Commission examined the report submitted by the respondent no. 3 and has calculated the RPO targets based on latest figures of sales available, which are summarized below:

In MUs

Cumulative Shortfall upto 2017-18		Target Mu of 2018-19		Actual Achievement of 2018-19		Shortfall of 2018-19		Cumulative Short Fall upto 2018-19		Target 2019-20		Cumulative Short Fall upto 2019-20	
Solar	Non-Solar	Solar	Non-Solar	Solar	Non-Solar	Solar	Non-Solar	Solar	Non-Solar	Solar	Non-Solar	Solar	Non-Solar
1	2	3	4	5	6	7 =(3-5)	8 =4-6	9= (1+7)	10 =(2+8)	11	12	13 =(9+11)	14 =(10+12)
NIL	NIL	20.30	30.45	39.16	40.53	-18.86	-10.08	NIL	NIL	35.02	50.66	35.02	50.66

The Commission observed that the Respondent No. 3 has fully achieved, and in fact over achieved, the target of Renewable Purchase Obligations of 20.30 MUs solar RPO and 30.45 MUs non solar RPO up to the FY 2018-19 and there is no backlog. Target set for solar and Non-Solar RPOs during 2019-20 is 35.02 MUs for Solar and 50.66 MUs for Non-Solar. The Commission while appreciating the efforts of ED Chandigarh directs the Respondent No. 3 to continue its efforts for 100% compliance of Renewable Purchase Obligations as notified by the Commission from time to time during FY 2019-20 also. The Commission further directs the Respondent No. 3 to submit quarterly compliance reports of RPOs as provided under Regulation 3.3 of (Procurement of Renewable Energy) Regulations, 2010 to the State Nodal Agency and the Commission, without fail.

4. Electricity Department, UT Daman and Diu: Respondent No. 4

The Commission examined the report submitted by the respondent no. 4 and has calculated the RPO targets based on latest figures of sales available, which are summarized below:

Cumulative Shortfall upto 2017-18		Target Mu of 2018-19		Actual Achievement of 2018-19		Shortfall of 2018-19		Cumulative Short Fall upto 2018-19		Target 2019-20		Cumulative Short Fall upto 2019-20	
Solar	Non-Solar	Solar	Non-Solar	Solar	Non-Solar	Solar	Non-Solar	Solar	Non-Solar	Solar	Non-Solar	Solar	Non-Solar
1	2	3	4	5	6	7 = (3-5)	8 = 4-6	9= (1+7)	10 = (2+8)	11	12	13 = (9+11)	14 = (10+12)
48.41	33.62	89.58	134.37	45.82	NIL	43.76	134.37	92.17	167.99	123.47	178.64	215.64	346.63

The Commission observed that the Respondent No. 4 has a backlog of 48.41 MUs of Solar RPOs & 33.62 MUs of Non Solar RPOs upto FY 2017-18 .The Respondent No. 4 during FY 2018-19 has achieved only 51% compliance for solar RPOs and NIL compliance for non-solar RPOs i.e. as against the targets of 89.58 MUs for solar RPO and 134.37 MUs for non-solar RPO only 45.82 MUs of solar power has been procured and NIL power from non-solar sources has been procured. Thus, there is a backlog of 43.76 MUs for solar RPOs and 134.37 MUs for non-solar RPOs for the FY 2018-19. Thus, cumulative Shortfall is 92.17 MUs for solar RPOs and 167.99 MUs for non-solar RPOs upto FY 2018-19. The Commission takes a serious note of the failure of the Respondent No. 4 and hereby directs the Respondent No. 4 to make good the cumulative shortfall in RPO compliance till FY 2019-20 i.e. 215.64 MUs solar RPOs and 346.63 MUs non solar RPOs by procuring either physical Renewable power or RECs in every quarter of the FY 2019-20.

The Respondent no. 4 submitted to the Commission that RECs could not be obtained at floor price on submission of their bid in the Power Exchange in the previous year. The Commission rejected the above justification of the Respondent for not being able to purchase the RECs and advised them to bid sensibly. The Commission again directs the Respondent No. 4 that in case physical Renewable power is not available, RECs should be purchased phase wise in all four quarters of the FY 2019-20 by bidding sensibly to avoid purchase at higher price in the last quarter of the FY 2019-20. The Commission directs the Respondent No. 4 to make good this total shortfall upto FY 2018-19 along with the targets for 2019-20 and ensure 100% compliance of Renewable Purchase Obligations as notified by the Commission from time to

time. The Commission further directs the Respondent No. 4 to submit quarterly compliance reports of RPOs as provided under Regulation 3.3 of (Procurement of Renewable Energy) Regulations, 2010 to the State Nodal Agency and the Commission, without fail.

5. DNHPDCL, UT Dadra & Nagar Haveli: Respondent No. 5

The Commission examined the report submitted by the respondent no. 5 and has calculated the RPO targets based on latest figures of sales available, which are summarized below:

In MUs													
Cumulative Shortfall upto 2017-18		Target Mu of 2018-19		Actual Achievement of 2018-19		Shortfall of 2018-19		Cumulative Short Fall upto 2018-19		Target 2019-20		Cumulative Short Fall upto 2019-20	
Solar	Non-Solar	Solar	Non-Solar	Solar	Non-Solar	Solar	Non-Solar	Solar	Non-Solar	Solar	Non-Solar	Solar	Non-Solar
						7	8	9=	10			13	14
1	2	3	4	5	6	= (3-5)	= 4-6	(1+7)	= (2+8)	11	12	= (9+11)	= (10+12)
209.80	377.81	217.15	325.73	5.76	NIL	211.39	325.73	421.19	703.54	295.95	428.19	717.14	1,131.73

The Commission observed that there is a shortfall of 209.80 MUs of Solar RPOs & 377.81 MUs of Non Solar RPOs upto FY 2017-18 .The Commission further observed that the Respondent No. 5 has an achievement of 3% only in compliance of solar RPOs and NIL achievement in respect of non-solar RPOs against the targets fixed for the FY 2018-19 .Thus, cumulative Shortfall is 421.19 MUs for solar RPOs and 703.54 MUs for non-solar RPOs at end of FY 2018-19. The Commission directs the Respondent No. 5 to make good the cumulative shortfall in RPO compliance upto FY 2019-20 i.e. 717.14 MUs for solar RPOs and 1131.73 MUs for non-solar RPOs preferably by procuring physical Renewable Power. In case of non-availability of physical renewable power, RECs should be purchased from Power Exchange by bidding sensibly to achieve its targets.

The Respondent No. 5 submitted to the Commission that they did not succeed in getting RECs at floor price through their bid submitted in the Power Exchange last year. The Commission rejected the above justification of the Respondent for not being able to purchase

the RECs and advised them to bid sensibly and to purchase RECs phase wise in all four quarters of the FY 2019-20 to avoid purchase of the RECs in the last quarter at a higher price. The Commission further directs the Respondent No. 5 to submit quarterly compliance reports of RPOs as provided under Regulation 3.3 of (Procurement of Renewable Energy) Regulations, 2010 to the State Nodal Agency and the Commission, without fail.

6. Electricity Department, UT Lakshadweep: Respondent No. 6

The Commission examined the report submitted by the respondent no. 6 and has calculated the RPO targets based on latest figures of sales available, which are summarized below:

In MUs

Cumulative Shortfall upto 2017-18		Target Mu of 2018-19		Actual Achievement of 2018-19		Shortfall of 2018-19		Cumulative Short Fall upto 2018-19		Target 2019-20		Cumulative Short Fall upto 2019-20	
Solar	Non-Solar	Solar	Non-Solar	Solar	Non-Solar	Solar	Non-Solar	Solar	Non-Solar	Solar	Non-Solar	Solar	Non-Solar
1	2	3	4	5	6	7 =(3-5)	8 =4-6	9= (1+7)	10 =(2+8)	11	12	13 =(9+11)	14 =(10+12)
NIL	2.25	2.43	3.65	1.19	NIL	1.24	3.65	1.24	5.89	2.51	3.63	3.75	9.53

The Commission observed that the Respondent No. 6 has a backlog 2.25 MUs of Non-Solar RPOs upto FY 2017-18. The Respondent No. 6 has an achievement of 49% only in compliance of its Solar RPO targets and NIL achievement of Non-Solar target for FY 2018-19. Only 1.19 MUs of Solar Power was procured against a target of 2.43 MUs and the target of 3.65 MUs of Non-Solar power remained totally unachieved for the FY 2018-19. The Commission further observed that the RPO trajectory in this Financial Year is steeper than previous years. Further, the Respondent's territory is not connected to the National Grid. The Commission hereby directs the Respondent No. 6 to take up the issue with MNRE/SECI for expediting solar installation in its territory and to enhance the solar power generation capacity in its territory to achieve its targets of RPOs. The Commission further directs the Respondent No. 6 to ensure 100% compliance of Renewable Purchase Obligation for the FY 2019-20, including the backlog of

previous years i.e. 3.75 MUs of solar RPOs and 9.53 MUs of non-solar RPOs and to submit quarterly compliance report of RPO as provided under Regulation 3.3 of (Procurement of Renewable Energy) Regulations, 2010 to the State Nodal Agency and the Commission without fail.

7 Electricity Department, UT Puducherry: Respondent No. 7

The Commission examined the report submitted by the respondent no. 7 and has calculated the RPO targets based on latest figures of sales available, which are summarized below:

In MUs

Cumulative Shortfall upto 2017-18		Target Mu of 2018-19		Actual Achievement of 2018-19		Shortfall of 2018-19		Cumulative Short Fall upto 2018-19		Target 2019-20		Cumulative Short Fall upto 2019-20	
Solar	Non-Solar	Solar	Non-Solar	Solar	Non-Solar	Solar	Non-Solar	Solar	Non-Solar	Solar	Non-Solar	Solar	Non-Solar
						7	8	9=	10			13	14
1	2	3	4	5	6	= (3-5)	= 4-6	(1+7)	= (2+8)	11	12	= (9+11)	= (10+12)
100.20	97.75	95.38	143.07	72.73	361.95	22.65	-218.88	122.85	NIL	124.51	180.14	247.36	180.14

The Commission observed that the Respondent No. 7 has a backlog of 100.20 MUS of Solar RPOs & 97.75 MUs of Non-Solar RPOs upto FY 2017-18. The Respondent No. 7 has fulfilled 76% of the solar RPOs i.e. 72.73 MUs against a target of 95.38 MUs in FY 2018-19. However, it has achieved 100%, infact overachieved ,its target for non-solar RPOs by purchasing RECs equivalent to 361.95 MUs to meet the RPO target of 143.07 MUs. Hence there is cumulative backlog of 124.51 MUs of solar RPO upto FY 2018-19.

The Commission takes a serious view of the failure of Respondent No. 7 to achieve its targets of Solar RPO and directs the Respondent No. 7 to strictly comply with the target of RPOs of 2019-20 including the backlog of 2018-19 i.e. 247.36 MUs of Solar RPOs and 180.14 MUs Non-Solar RPOs and submit quarterly compliance report of RPOs as per Regulation 3.3 of (Procurement of Renewable Energy) Regulations, 2010 to the State Nodal Agency and the Commission without fail. The Commission further directs the Respondent No. 7 to procure physical renewable power and in case of non-availability of physical renewable power, procure

RECs in every quarter of the current year from Power Exchange to clear the entire backlog and to fulfill its compliance for the current Financial Year i.e. FY 2019-20.

The Commission is also concerned about the compliance of the RPOs by Open Access Consumers and hence directs all the Respondents to ensure compliance of the RPOs by Open Access Consumers in their respective territories and submit the quarterly status report of the RPO compliance of Open Access users to the Commission also.

Ordered accordingly.

Sd/-
(NEERJA MATHUR)
MEMBER

Sd/-
(M.K.GOEL)
CHAIRPERSON

Certified Copy


(Rakesh Kumar)
Secretary

