

UTTARAKHAND ELECTRICITY REGULATORY COMMISSION

'Vidyut Niyamak Bhawan', Near I.S.B.T., P.O.-Majra, Dehradun-248171

Coram

Shri Subhash Kumar Chairman

Shri K. P. Singh Member

Statement of Reasons for Draft UERC (Tariff and Other Terms for Supply of Electricity from Renewable Energy Sources and non-fossil fuel based Co-generating Stations) (Sixth Amendment) Regulations, 2016.

Statement of Reasons

1. The Commission had issued UERC (Tariff and Other Terms for Supply of Electricity from Renewable Energy Sources and non-fossil fuel based Co-generating Stations) Regulations, 2013 (hereinafter referred to as "Principal Regulations" or "RE Regulations, 2013") vide notification dated April 15th, 2013.
2. To provide clarity on applicability of the Regulations, to introduce third party model under Grid connected Roof Top Solar PV plants and also for revision in % of RPO by obligated entities, the Commission made four amendments to the Principal Regulations (vide notifications dated October 15th, 2013, June 20th, 2014, July 21st, 2015 and September 9th, 2015). The Commission had vide notification dated 29.04.2016 issued Fifth amendment to these regulations wherein, MSW & RDF based RE generating plants were also included under the Regulations. Moreover, revision in definition of inter-connection point and provision for tariff of canal based solar PV plants had also been made through Fifth amendment to the Regulations.
3. The Commission had received an Order no. 23/3/2016-R&R dated 22 July, 2016 of Ministry of Power, Government of India notifying the long term growth trajectory of RPO for Non-Solar as well Solar, uniformly for all States/Union Territories.
4. Further, UPCL, State Distribution Licensee had also filed an Application seeking revision of the Renewable Purchase Obligation of FY 2016-17 & FY 2017-18 as per the provisions of the Uttarakhand Electricity Regulatory Commission (Compliance of Renewable Purchase Obligation) Regulations, 2010. The Commission vide its Order dated 05.10.2016 while holding that the Petition was not maintainable directed as follows:

“The Commission directs its staff to examine the issue and, if required, frame an appropriate draft amendment to RE Regulations, 2013 for inviting comments from all stakeholders in accordance with the provisions of the Electricity Act, 2003 and Regulations made thereunder.”

5. Accordingly, proceedings in the matter have been initiated to review the revision in Non-Solar & Solar RPO. It has been observed that the Ministry of Power, Government of India has vide its Order dated 22.07.2016 proposed revision in RPO as follows:

Long Term Trajectory	FY 2016-17	FY 2017-18	FY 2018-19
Non-Solar	8.75%	9.50%	10.25%
Solar	2.75%	4.75%	6.75%
Total	11.50%	14.25%	17.00%

The above mentioned Order of the MoP also specifies that the revision in RPO shall be applicable on total consumption of electricity by an obligated entity excluding consumption met from hydro sources of power.

6. The intent of the GoI was to have uniform RPO for all State/Uts. However, the existing RE Regulations, 2013 have Control Period till 31st March 2018. Accordingly, the Commission has decided to consider revision in the RPO for FY 2016-17 & FY 2017-18 only. Any revision in RPO for FY 2018-19 and onwards shall be considered alongwith the upcoming RE Regulations for the next Control Period.
7. Accordingly, in line with the Order dated 22.07.2016 of MoP, the Commission has decided to revise the Non-Solar & Solar RPO as follows:

Year	Renewable Purchase Obligation -Non-Solar		Renewable Purchase Obligation - Solar	
	Existing	Revised	Existing	Revised
2013-14	6.00%	6.00%	0.050%	0.050%
2014-15	7.00%	7.00%	0.075%	0.075%
2015-16	8.00%	8.00%	0.100%	0.100%
2016-17	8.00%	8.75%	1.50%	2.75%
2017-18	8.00%	9.50%	2.50%	4.75%

The above mentioned revised RPO for FY 2016-17 and FY 2017-18 shall be applicable on total consumption of electricity by an obligated entity excluding consumption met from hydro sources of power.

Accordingly, the Commission has decided to issue the draft Amendment Regulations.

By the order of the Commission

(Neeraj Sati)
Secretary