

BEFORE THE KARNATAKA ELECTRICITY REGULATORY COMMISSION, BENGALURU

Y/04/2012/Vol-10

1254

Dated: 14.12.2018

Present: Shri M.K. Shankaralinge Gowda .. Chairman

Shri H.D. Arun Kumar .. Member

Shri D.B. Manival Raju .. Member

In the matter of RPO Compliance for FY17 by Grasim Industries Ltd., Chemical Division, Karwar

ORDERS

Preamble:

The Commission, based on the information furnished by the State Load Dispatch Center, had noted that the **Grasim Industries Limited, Chemical Division Karwar [hereinafter referred to as 'the Company']**, had not complied with Solar RPO for FY-17 to an extent of **1.57MWh** and Non-Solar RPO to an extent of **14.55MWh** as mandated in the KERC (Procurement of Energy from Renewable Sources) Regulations, 2011. Thus, as per the Regulations the Company had to meet Solar RPO to an extent of **1.73MWh** (110% of shortage) and Non-Solar RPO to an extent of **16.01MWh** (110% of shortage). Hence, a notice was issued to show cause as to why action under Section 142 of the Electricity Act, 2003, should not be initiated against the Company for failure to comply with the aforesaid Regulations.

Whereas, the Company had furnished its reply on 08.12.2017, stating that it has purchased 7125 non-solar RECs and 759 solar RECs. The Commission after examining the reply noted that as per SLDC, the Company had to meet Non-Solar RPO to an extent of 7139.55 MWh and solar RPO to an extent of 973.57 MWh, which were different from the data submitted by the Company. Hence, one more notice was issued to the Company and SLDC to appear before the Commission on 05.07.2018 with relevant facts and figures to substantiate the RPO compliance and reconcile the data.

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Whereas, the SLDC in its submissions made on 05.07.2018, submitted that the Company has procured 129552.35 MWh of energy from IEX and hence, the Company has to meet the solar RPO of 971.64 MWh and Non-Solar RPO of 7125.38 MWh.

Whereas, the representative of the Company, during the proceedings before the Commission on 05.07.2018, submitted certain documents. The Commission decided to verify the same with SLDC. As such the Company, was directed to appear before the Commission **on 31.07.2018 at 3.00 PM**, for reconciliation of RPO data for 2016-17.

Whereas, the company appeared before the Commission as directed on 31.07.2018, and submitted compliance reports. The Commission directed the office to verify the data furnished and report the same. It was noted that the input energy had been reconciled by SLDC and the same was indicated as 1,29,552.35 MWh of energy from IEX and hence, the Company had to meet the solar RPO of 971.64 MWh and Non-Solar RPO of 7125.38 MWh.

The Company had submitted solar RE certificates bearing S. No. IEX- 0000759 dated 25.01.2017 for 759 solar RECs and bearing S.No. IEX_0000213 dated 26.04.2017 for 213 solar RECs, aggregating to 972 Solar RECs. Thus, the Company has met the solar RPO for FY17. Similarly, the Company has submitted for retention of 2185 numbers of Non-solar RECs issued on 24.05.2017 and 4940 RECs out of 6291 RECs issued on 02.01.2017, aggregating to 7125 non-solar RECs for Non-Solar RPO Compliance.

The retention of the above RECs had to be confirmed by SLDC and therefore, the Commission forwarded the documents to SLDC on 12.09.2018 for verification. SLDC vide letter dated 24.09.2018 has confirmed that the company has purchased 972 solar RECs and has retained 7125 numbers of Non-Solar RECs.



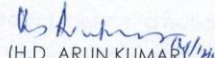
In view of the above submissions made by the company and the SLDC and after verifying the documents submitted, the Commission is of the view that the company has met its Non-solar RPO to the extent of 7125 MWh against 7125.38 MWh, by retaining 4940 numbers of Non-Solar RECs out of 6291 RECs issued on 02.01.2017 and 2185 numbers issued on 24.05.2017. Hence, the Commission as per the prevailing orders of the Commission decides to allow carry forward of the fractional NON-Solar RPO of 0.38 MWh to FY-18 and considers that the company has met RPO to the extent of **7125 non-solar RPO for FY-17**. Further, in the case of Solar RPO, the company has purchased 213 solar RECs on 26.04.2017 bearing S.No. IEX_0000213 and **759 solar RECs bearing S.No. IEX 0000759 on 25.01.2017, totaling to 972 solar RECs** and therefore, has met the solar RPO of 971.64 MWh for FY17, which is considered by the Commission for compliance of solar RPO of FY17.


2. Hence, the following orders, -

ORDER

The Commission notes that, as per the written submissions made by the company and the SLDC, and after verifying the documents submitted, the **Grasim Industries Limited, Chemical Division Karwar**, has retained **7125 [Seven Thousand one hundred and twenty-five only] non-solar RECs** to meet its Non-Solar RPO of 7125.38 MWh and has purchased **972 solar RECs** [213 solar RECs on 26.04.2017 bearing S.No. IEX_0000213 and **759 solar RECs bearing S.No. IEX 0000759 on 25.01.2017 totaling to Nine hundred and Seventy-two only**. Thus, the Commission as per the prevailing orders of the Commission decides to allow carry forward of the fractional NON-Solar RPO of 0.38 MWh to FY-18 and considers that the company has met Non-solar RPO to the extent of 7125 MWh for FY-17. Further, the Company having fully met its Solar RPO for FY17, the Commission hereby treats the proceedings initiated against the Company as closed.


(M.K. SHANKARALINGE GOWDA)
CHAIRMAN


(H.D. ARUN KUMAR)
MEMBER


(D.B. MANVAL RAJU)
MEMBER
14/12/18