

Petition No. 2 of 2012 .

Before the Tripura Electricity Regulatory Commission
Bidyt Bhavan , Banamalipur , Bhutoria
Agartala - Tripura-799001

PETITION:

In the matter of:

Determination of Fees and Charges, for Accreditation of Renewable Energy Generation in Tripura, payable under clause 3(iv) of Regulation (Renewable Purchase Obligation and its Compliance)'2009 of Tripura Electricity Regulatory Commission.

Coram: M. R. Karmakar, Chairman, and TERC.

ORDER

1. In exercise of powers conferred under Section 61 , 66 , 86(1)(e) and 181 of the Electricity Act' 2003 , the Tripura Electricity Regulatory Commission has notified the a Regulation((Renewable Purchase Obligation and its Compliance)'2009(hereinafter referred to as “ TERC RPO Regulation' 2009) on 9th Nov' 2009 and the same was published in Tripura Gazette on 15th July' 2011 .
2. Under the TERC RPO Regulation' 2009, the Renewable Energy Certificate (REC) mechanism is a market based process to promote renewable energy and to facilitate Renewable Purchase Obligation (RPO), REC must be purchased by the obligated utilities to meet their RPO under Section 86(1)(e) of Electricity Act' 2003.Purchase of REC would be deemed as purchase of Renewable Energy for RPO compliance . The concept of Renewable Energy Certificate (REC) enriched the above mentioned Regulation seek to address

the mismatch between availability of Renewable Energy sources and the requirement of the obligated utilities to meet their Renewable Purchase Obligation. As per Renewable Energy Certificate (REC) system, accreditation of Renewable Energy Project to be undertaken in Tripura. The TERC has designated the TRENDA (Tripura Renewable Energy Development Agency) as the State Agency for accreditation and for Renewable Purchase Obligation compliance and for implementing the Renewable Energy Certificate mechanism in Tripura. Undertaking the accreditation process in Tripura requires the understanding of the specific issues of Tripura. The TRENDA as designated is required time to time to act as the Agency for accreditation and recommending the Renewable Energy Projects and to undertake the functions under the said Regulation as reproduced below :

“3(i): The Commission shall designate an agency as the State Agency for Accreditation and recommending the renewable energy projects for Registration and to undertake functions under these regulations”

3. Accordingly, considering the all requisite necessary technical and other capabilities for discharging the function, the Tripura Electricity Regulatory Commission has designated the Tripura Renewable Energy Development Agency (TRENDA) to act as the State Agency under Notification vide No.F.25/TERC/09/379-87 date 8th Sept’ 2010 .
4. The Tripura Renewable Energy Development Agency (TRENDA) has submitted a petition vide their No. F.6(126)/TRENDA/NCES/Pt.- I/235-36 dated 27th April’ 2012 and subsequently the same was admitted on 2nd May’ 2012 by the Tripura Electricity Regulatory Commission wherein TRENDA prayed for approval of the following fees and charges against the Project Developer intending to set up a Renewable Energy Project in Tripura :
 - (i). Non-refundable one time application processing fee per application payable at the time of submission of applicationRs. 5000.00(Rupees Five Thousand) only.
 - (ii) One time accreditation charge per application up to grant of AccreditationRs. 30000.00(Rupees Thirty Thousand) only.
 - (iii).Annual charge for accreditation per application payable by the 10th April of each fiscal year(or each anniversary date from the date of initial accreditation).....Rs. 10000.00(Rupees Ten Thousand) only .

(iv). Accreditation charge for revalidation/extension of validity per application Payable at the time of revalidation/extension of validity of existing accreditation at the end of five year.....Rs. 15000.00(Rupees Fifteen Thousand) Only.

5. Public Hearing: After the admission of the Petition on 2nd May' 2012, a Notification was issued in the following local news papers requesting to submit comments/objections etc. from the public / developer etc.

(i) Daily Desher Katha dated on 4th May' 2012.

(ii) Dainik Sambad dated 4th May' 2012.

(iii) Tripura Times dated 4th May' 2012.

Apart from the publication on news papers, the Notification was also placed in website of TERC i.e. www.terc.nic.in. and copies of the same were sent to TREDATA/TSECL/NEEPCO inviting comments/objection if any .

In the same Notification it was mentioned about the holding of a public hearing on 18th May' 2012 notifying the intending objectors to be present during the hearing scheduled at 3 PM to 5 PM .

In response to above, a letter was received from the Executive Director, NEEPCO

Limited bearing No.NEEPCO/ED (CP) /T&T/SPP(TGBP)-02/2012-13/495 dated 17th May'2012.In that letter NEEPCO Limited expressed their "no objection" in the rates of fees proposed by TREDATA in the petition .

A hearing also was conducted on 18th May' 2012 between 3 to 5 PM in the Chamber of Chairman wherein the following agencies were present:

1. Sri Subhas Choudhury , Director , TREDATA , Agartala .
2. Sri Babul Chakraborty , Jt. Director , TREDATA , Agartala .
3. Sri Ashit Choudhury , Co-Ordinator , NEEPCO Ltd. Agartala .

Sri Subhas Choudhury, Director, TREDATA and Sri Babul Chakraborty, Jt. Director, TREDATA expressed their views about reasonableness of the Fees claimed in the Petition which they advocated as the CERC's approved rates and followed by other SERC like MERC. Sri Ashit Choudhury, Co-Ordinator,

NEEPCO expressed that the views of NEEPCO as communicated by Executive Director, Shillong mentioned above shall stand.

Now, keeping in view of provision of clause 6(i)(iv) of TERC(Procurement of Energy from Renewable Sources) Regulation' 2010 and provision under clause 3(iv) of TERC(Renewable Purchase Obligation and its Compliance) Regulation' 2009 and after due consideration of the comments of NEEPCO as well as the comments of the members present during hearing , the Commission determines and approves the following rates of Fees and Charges for accreditation of Renewable Energy Generation Project as payable by the developer to TRENDA :

- (i).The application for Accreditation of Renewable Energy Generation Project shall be accompanied by a non-refundable “One–time Application Processing Fees” @ Rs. 5000/application.
- (ii).The Eligible Entity shall pay the “ One –time Accreditation Charge” @ Rs. 30000/application once the “ Certificate of Accreditation” is granted by the State Agency i.e. TRENDA.
- (iii).The Eligible Entity shall also pay an “Annual Charge” @ Rs. 10000/ application. The “Annual Charge” shall be payable by 10th April of each year.
- (iv). The Eligible Entity shall pay charge towards Re-validation/Extension of validity @ Rs. 15000/application at the time of re-validation of validity of existing Accreditation at the end of five years or any such period as determined by the Commission from time to time, from the date of initial Accreditation unless otherwise revoked prior to such validity period

6. Accounting of Accreditation Fees and Charges :

- (i).The State Agency shall maintain a separate bank account called “Accreditation Fee & Charge Account” wherein all the money received on account of Accreditation of Renewable Energy Generation Projects by the TRENDA be credited.
- (ii).The statement of applicable Fees and Charges shall be issued by TRENDA to the Eligible Entity towards accrediting its Generation Projects, by 1st April of each year or on each anniversary date from the date of initial accreditation.

(iii) The Statement of Applicable Re-validation Charge shall be issued by the TRED A at the end of five years from the date of initial accreditation.

(iv).The applicable fees and Charges shall be payable by the Eligible Entity within 10th days from the issue of the statement by the TRED A . In case the payment is delayed beyond two days from the due date, the Eligible Entity responsible for the delay shall be liable to pay interest @ 0.04 % per day or as per the charges mentioned in the CERC REC Regulation from time to time.

7. Collection and Utilization of fund from Accreditation of RE Generation Project :

(i). The fees and Charges towards Accreditation of Renewable Energy Generation Projects shall be collected by TRED A.

(ii). The fees and Charges paid by the Eligible Entity towards Accreditation of its Generation Projects shall be utilized for the purpose of meeting the cost and expenses towards the remuneration payable to the TRED A, officers , employees, consultants and representatives engaged to perform the functions under the TERC RPO Regulation' 2009 for implementation of Renewable Energy Generation mechanism .

8. Applicability of the Order :

(i) The fees and Charges determined through this order shall be payable by the Eligible Entities participating in the Renewable Energy Generation mechanism in Tripura .

(ii) The Control period or Review Period of the fees and Charges determined through this Order shall be of three years of which the first year shall be the period from the date of issue of this Order to March' 2013 .

With the above stipulations the Petition is disposed of.

Sd/

Dated 22-05-2012

(M. R. Karmakar)
Chairman, TERC, Agartala.