

**ODISHA ELECTRICITY REGULATORY COMMISSION
BIDYUT NIYAMAK BHAVAN
PLOT NO. – 4, CHUNOKOLI, SHAILASHREE VIHAR,
BHUBANESWAR-751021**

PUBLIC NOTICE

Sub: Suggestion/opinions on the Amendment to the Regulation 4.2 to 4.9 and 5.1 of “Odisha Electricity Regulatory Commission (Procurement of Energy from Renewable Sources and its Compliance) Regulations, 2021”.

The Commission has proposed an amendment to Regulation 4.2 to 4.9 and 5.1 of OERC (Procurement of Energy from Renewable Sources and its Compliance) Regulations, 2021. The proposed amendment is available in the website of the Commission www.oriarc.org. Notice is hereby given under Section 181(3) of the Electricity Act, 2003 inviting suggestion and objection from the interested persons/ institutions/ associations/ consumers and other stakeholders. The objections and suggestions shall reach the undersigned **by 31st July, 2023**. After considering such objections/suggestion the Commission may bring about modification, if necessary, in the draft regulation for final publication.

SECRETARY

**ODISHA ELECTRICITY REGULATORY COMMISSION
BIDYUT NIYAMAK BHAWAN
PLOT NO. – 4, CHUNAKOLI, SAILASHREE VIHAR,
BHUBANESWAR-751021
E-mail: orierc@rediffmail.com, orierc@gmail.com
Website: www.orierc.org**

PUBLIC NOTICE

Sub: Suggestion/opinions on the Amendment to the Regulation 4.2 to 4.9 and 5.1 of “Odisha Electricity Regulatory Commission (Procurement of Energy from Renewable Sources and its Compliance) Regulations, 2021”.

Statements of objects and Reasons for first Amendment to “Odisha Electricity Regulatory Commission (Procurement of Energy from Renewable Sources and its Compliance) Regulations, 2021”

In exercise of powers conferred on it under Section 181 of the Electricity Act, 2003, the Odisha Electricity Regulatory Commission had framed OERC (Procurement of Energy from Renewable Sources and its Compliance) Regulations, 2021 which were published in the Orissa Gazette extraordinary No. 254 on 15th February, 2022. In the meantime, the Ministry of Power vide its order dated 22nd July 2022 & 19th September, 2022 has issued a uniform long term growth trajectory of Renewable Purchase Obligations (RPOs) from FY 2022-23 to FY 2029-30 as under-

Year	Wind RPO	HPO	Other RPO	Total RPO
2022-23	0.81%	0.35%	23.44%	24.61%
2023-24	1.60%	0.66%	24.81%	27.08%
2024-25	2.46%	1.08%	26.37%	29.91%
2025-26	3.36%	1.48%	28.17%	33.01%
2026-27	4.29%	1.80%	29.86%	35.95%
2027-28	5.23%	2.15%	31.43%	38.81%
2028-29	6.16%	2.51%	32.69%	41.36%
2029-30	6.94%	2.82%	33.57%	43.33%

Note:

- (a) Wind RPO shall be met only by energy produced from Wind Power Projects (WPPs), commissioned after 31st March, 2022 and the wind energy consumed over and above 7% from WPPs commissioned till 31st March 2022.
- (b) HPO shall be met only by energy produced from Hydro Power Projects (including PSPs and Small Hydro Project (SHPs)) commissioned after 8th March, 2019.
- (c) Other RPO may be met by energy produced from any RE power project not mentioned in (a) and (b) above.

1. From FY 2022-23 onwards, the energy from all Hydro Power Projects (HPPs) will be considered as part of RPO. The HPO trajectory, as has been notified earlier will continue to prevail for Hydro Power Projects (including PSPs and Small Hydro Project (SHPs)) commissioned after 8th March 2019. Energy from all other Hydro Power Projects (HPPs) including free power from HPP commissioned before 8th March 2019 will be considered as part of RPO under category of 'other RPO'.
2. RPO shall be calculated in energy terms as a percentage of total consumption of electricity.
3. HPO obligations met from the power procured from eligible Hydro Power Projects (including PSPs and Small Hydro Project (SHPs)) commissioned on and after 8th March, 2019 to 31st March, 2030.
4. HPO obligation of the State/DISCOM may be met out of the free power being provided to the State from Hydro Power Projects (including PSPs and Small Hydro Project (SHPs)) commissioned after 8th March, 2019 as per agreement at that point of time excluding the contribution towards LADF, if consumed within the State /DISCOM. Free power (not that contributed for Local Area Development) shall be eligible for HPO benefit.
5. In case, the free power mentioned above is insufficient to meet the HPO obligations, then the State would have to buy the additional hydro power to meet its HPO obligations or may have to buy the corresponding amount of Renewable Energy Certificate corresponding to Hydro Power.
6. The above HPO trajectory shall be tried up on an annual basis depending on the revised commissioning schedule of Hydro projects.
7. Hydro power imported from outside India shall not be considered for meeting HPO.
8. Any shortfall remaining in achievement of 'Other RPO' category in a particular year can be met with either the excess energy consumed from WPPs, commissioned after 31st March, 2022 beyond 'Wind RPO' for that year or with excess energy consumed from eligible Hydro Power Projects (including PSPs and Small Hydro Project (SHPs)), commissioned after 8th March, 2019 beyond 'HPO' for that year or partly from both. Further, any shortfall in achievement of 'Wind RPO' in a particular year can be met with excess energy consumed from Hydro Power Plants, which is in excess of 'HPO' for that year and vice versa.

9. The following percentage of total energy consumed shall be solar/wind energy along with/through storage,

Financial Year	Storage (on Energy basis)
2023-24	1.0%
2024-25	1.5%
2025-26	2.0%
2026-27	2.5%
2027-28	3.0%
2028-29	3.5%
2029-30	4.0%

10. The Energy Storage Obligation in the table above shall be calculated in energy terms as a percentage of total consumption of electricity and shall be treated as fulfilled only when at least 85% of the total energy stored in the Energy Storage System (ESS), on an annual basis, is procured from renewable energy sources.
11. The Energy Storage Obligation to the extent of energy stored from RE sources shall be considered as a part of fulfilment of the total RPO.
12. In the meantime, Ministry of Power, GoI, has issued resolution on Renewable Generation Obligation as per Revised Tariff Policy, 2016 on 27th February, 2023. Clause 2.0, 3.0 & 4.0 of the above-mentioned resolution states as follows;

“ 2.0 In pursuance of clause 6.4 (5) of the Tariff Policy 2016, it has been decided that any generating company establishing a coal / lignite – based thermal generating station and having the Commercial Operating Date (COD) of the project on or after 1st April 2023 shall be required to establish renewable energy generating capacity (in MW) i.e. Renewable Generation Obligation (RGO) of a minimum forty percent (40%) of the capacity (in MW) of coal/ lignite- based thermal generating station or procure and supply renewable energy equivalent to such capacity

3.0 A coal/ lignite based thermal generating station with Commercial Operating Date (COD) of the project between 1st April 2023 and 31st March 2025 shall be required to comply with RGO of 40 % by 1st April 2025, and any other coal / lignite based thermal generating station with Commercial operation Date (COD) of the project after 1st April 2025 shall be required to comply with RGO of 40 % by the COD.

4.0 Further, a captive coal/ lignite based thermal generating station shall be exempted from requirement of RGO subject to its fulfilling Renewable Purchase Obligation as notified by Central Government.”

Further, Government of Odisha, Department of Energy, has requested OERC to align RPO trajectory for Odisha in line with RPO trajectory notified by MoP in its order dated 22.07.2022. Government of Odisha has notified the Renewable Energy Policy

2022 on 30th November, 2022. In Para 24.1 of the said Policy, it has been stated that the RPO and ESO trajectories shall be uniform for all the obligated entities including DISCOMs, Captive users or Open Access consumers for all the years as has been mandated under Electricity (Promoting Renewable Energy through Green Energy Open Access) Rules, 2022. Further in the said Policy at Annexure-1 it has been stated that to meet the new RPO trajectory, the cumulative estimated Capacity addition required by DISCOMs and industries (Captive/OA) will be 21700 MW by 2030.

Based on the above guideline, the Commission has intended to amend the Regulation 4.2 to 4.9 and 5.1 of Odisha Electricity Regulatory Commission (Procurement of Energy from Renewable Sources and its Compliance) Regulations, 2021.

The amendments contemplated are available in the Commission's website: www.orienc.org. The copies of the proposed amendment may also be obtained from the Commission's office on request.

Before finalization of the said amendments, the Commission hereby invites opinion through these previous publications u/s 181(3) of the Electricity Act, 2003. Interested persons/ institutions/ associations/ consumers and other stakeholders may furnish their suggestions/ opinions on the said amendments to the undersigned by 31st July, 2023. On receipt of the responses from different quarters, the Commission may, in appropriate cases, bring modifications, if any, to the proposed amendments and approve the same for publication in the official gazette.

By the Order of the Commission

SECRETARY

ODISHA ELECTRICITY REGULATORY COMMISSION
BIDYUT NIYAMAK BHAVAN
PLOT NO. – 4, CHUNAKOLI, SAILASHREE VIHAR,
BHUBANESWAR-751021

DRAFT REGULATION

In exercise of powers conferred under Section 61, 66, 86(1) (e) and Section 181 of the Electricity Act, 2003, the Odisha Electricity Regulatory Commission had framed OERC (Procurement of Energy from Renewable Sources and its Compliance) Regulations, 2021 which were published in the Orissa Gazette extraordinary No. 254 on 15th February, 2022. The Commission hereby amends Regulations 4.2 to 4.9 and 5.1 of Odisha Electricity Regulatory Commission (Procurement of Energy from Renewable Sources and its Compliance) Regulations, 2021.

2. The amended Regulations 4.2 to 4.9 and 5.1 shall be called Odisha Electricity Regulatory Commission (Procurement of Energy from Renewable Sources and its Compliance) Regulations, 2021 (First Amendment). This amendment shall come into force on the date it is published in the official Gazette.
3. The existing Regulations 4.2 to 4.9 shall be substituted as follows:

“4.2 The Commission hereby specifies Renewable Purchase Obligation (RPO) trajectory for FY 2023-24 to FY 2029-30. Every Obligated Entity shall purchase following minimum quantum of electricity from Renewable Sources as percentage of total Consumption of electricity as indicated in the table below:

Year	Wind RPO	HPO	Other RPO	Total RPO
2023-24	1.60%	0.66%	24.81%	27.08%
2024-25	2.46%	1.08%	26.37%	29.91%
2025-26	3.36%	1.48%	28.17%	33.01%
2026-27	4.29%	1.80%	29.86%	35.95%
2027-28	5.23%	2.15%	31.43%	38.81%
2028-29	6.16%	2.51%	32.69%	41.36%
2029-30	6.94%	2.82%	33.57%	43.33%

Note:

- (a) Wind RPO shall be met only by energy produced from Wind Power Projects (WPPs), commissioned after 31st March, 2022 and the wind energy consumed over and above 7% from WPPs commissioned till 31st March 2022.

(b) *HPO shall be met only by energy produced from Hydro Power Projects (including PSPs and Small Hydro Project (SHPs)) commissioned after 8th March, 2019.*

(c) *Other RPO may be met by energy produced from any RE power project not mentioned in (a) and (b) above.*

4.3 Hydro Purchase Obligation (HPO):

4.3.1 *From FY 2022-23 onwards, the energy from all Hydro Power Projects (HPPs) will be considered as part of RPO. The HPO trajectory, as has been notified earlier will continue to prevail for Hydro Power Projects (including PSPs and Small Hydro Project (SHPs)) commissioned after 8th March 2019. Energy from all other Hydro Power Projects (HPPs) including free power from HPP commissioned before 8th March 2019 will be considered as part of RPO under category of 'other RPO'.*

4.3.2 *HPO obligations met from the power procured from eligible Hydro Power Projects (including PSPs and Small Hydro Project (SHPs)) commissioned on and after 8th March, 2019 to 31st March, 2030.*

4.3.3 *HPO obligation of the State/DISCOM may be met out of the free power being provided to the State from Hydro Power Projects (including PSPs and Small Hydro Project (SHPs)) commissioned after 8th March, 2019 as per agreement at that point of time excluding the contribution towards LADF, if consumed within the State /DISCOM. Free power (not that contributed for Local Area Development) shall be eligible for HPO benefit.*

4.3.4 *In case, the free power mentioned above is insufficient to meet the HPO obligations, then the State would have to buy the additional hydro power to meet its HPO obligations or may have to buy the corresponding amount of Renewable Energy Certificate corresponding to Hydro Power.*

4.3.5 *The above HPO trajectory shall be tried up on an annual basis depending on the revised commissioning schedule of Hydro projects.*

4.4 *RPO shall be calculated in energy terms as a percentage of total consumption of electricity.*

4.5 *Hydro power imported from outside India shall not be considered for meeting HPO.*

4.6 *Any shortfall remaining in achievement of 'Other RPO' category in a particular year can be met with either the excess energy consumed from WPPs,*

commissioned after 31st March, 2022 beyond 'Wind RPO' for that year or with excess energy consumed from eligible Hydro Power Projects (including PSPs and Small Hydro Project (SHPs)), commissioned after 8th March, 2019 beyond 'HPO' for that year or partly from both. Further, any shortfall in achievement of 'Wind RPO' in a particular year can be met with excess energy consumed from Hydro Power Plants, which is in excess of 'HPO' for that year and vice versa.

- 4.7 *The following percentage of total energy consumed shall be solar/wind energy along with/through storage,*

<i>Financial Year</i>	<i>Storage (on Energy basis)</i>
<i>2023-24</i>	<i>1.0%</i>
<i>2024-25</i>	<i>1.5%</i>
<i>2025-26</i>	<i>2.0%</i>
<i>2026-27</i>	<i>2.5%</i>
<i>2027-28</i>	<i>3.0%</i>
<i>2028-29</i>	<i>3.5%</i>
<i>2029-30</i>	<i>4.0%</i>

- 4.8 *The Energy Storage Obligation in the table above shall be calculated in energy terms as a percentage of total consumption of electricity and shall be treated as fulfilled only when at least 85% of the total energy stored in the Energy Storage System (ESS), on an annual basis, is procured from renewable energy sources. The Energy Storage Obligation to the extent of energy stored from RE sources shall be considered as a part of fulfilment of the total RPO.*

- 4.9 *Any generating company establishing a coal / lignite – based thermal generating station and having the Commercial Operating Date (COD) of the project on or after 1st April 2023 shall be required to establish renewable energy generating capacity (in MW) i.e. Renewable Generation Obligation (RGO) of a minimum forty percent (40%) of the capacity (in MW) of coal/ lignite- based thermal generating station or procure and supply renewable energy equivalent to such capacity*

A coal/ lignite based thermal generating station with Commercial Operating Date (COD) of the project between 1st April 2023 and 31st March 2025 shall be required to comply with RGO of 40 % by 1st April 2025, and any other coal / lignite based thermal generating station with Commercial operation Date (COD) of the project after 1st April 2025 shall be required to comply with RGO of 40 % by the COD.

Further, a captive coal/ lignite based thermal generating station shall be exempted from requirement of RGO subject to its fulfilling Renewable Purchase Obligation as notified by Central Government.”

4. The Proviso of Regulation 5.1 shall be deleted.

By the Order of the Commission

SECRETARY.