

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

**Coram: Dr. Pramod Deo, Chairperson
Shri S.Jayaraman, member
Shri V.S.Verma, Member
Shri M.Deena Dayalan, Member**

Date of order: 19.8.2011

In the matter of

Indian Energy Exchange

..... APPLICANT

And

In the matter of

Clarification with regard to the trading of REC

ORDER

Indian Energy Exchange in its letter no. IEXL/MO/11-12/155, dated 10.8.2011 has submitted that as per the Para 6.2 of Procedure for Redemption of REC approved by the Commission under Central Electricity Regulatory Commission (terms and conditions for recognition and issuance of renewable energy certificate for a renewable energy generation), Regulations, 2010, all valid and eligible offers for RECs received for dealing on Power Exchange shall be considered for auction purpose to be carried out on the last Wednesday of every month." It has been submitted that in the month of August, 2011, last Wednesday falls on 31st August which is a national holiday on the occasion of Bakar-Id and the last Wednesday of October falls on 26th October which is also a national holiday on the occasion of Diwali. Being national holidays no banking operation would take place on these days. The matter was discussed in the meeting with the Central Agency on 8.8.2011 in which the Central Agency indicated that REC trading would be held on 31st August 2011 unless clarified otherwise by the Commission. Accordingly, IEX has

approached the Commission for a direction to the Central Agency to the effect that in the event of a bank holiday on the last Wednesday of the month, trading in REC can take place on the previous bank working day.

2. We have considered the submissions of IEX. As per Section 10 of the General Clauses Act, 1897, computation of time shall be made in case of holidays in the following manner:

“ Where, by any Central Act or Regulation made after the commencement of this act, any act or proceeding is directed or allowed to be done or taken in any court or office on a certain day or within a prescribed period, then, if the Court or office is closed on that day or the last day of the prescribed period, the act or proceeding shall be considered as done or taken in due time if it is done or taken on the next day afterwards in which the court or office is open.”

3. In view of the above statutory provision which is also applicable to the Regulations framed by the Commission, the trading of REC shall take place on the next bank working day if the last Wednesday of any month happens to be a closed holiday. Accordingly, we direct that para 6.2 of the Procedure shall be substituted as under:-

“6.2 In accordance with the Rules/Byelaws approved by the CERC, monthly auction of RECs shall be undertaken for discovery of Price on Power Exchange. All valid and eligible offers for RECs received for dealing on Power Exchange shall be considered for Auction purpose to be carried out on the last Wednesday of every month. In the event of a bank holiday on the last Wednesday of any month, Auction shall take place on the next bank working day. If there are other exigencies warranting change in the day for Auction, the Central Agency can make such change as considered necessary under intimation to all concerned. The frequency of auctioning may be reviewed and changed from monthly to fortnightly or weekly basis in due course depending on volume of REC transactions/number of participants on Power Exchange.

4. The Central Agency is directed to carry out the necessary changes in the Procedure for Redemption of REC.

Sd/-
(M. DEENA DAYALAN)
MEMBER

Sd/-
(V.S.VERMA)
MEMBER

Sd/-
(S. JAYARAMAN)
MEMBER

Sd/-
(DR. PRAMOD DEO)
CHAIRPERSON