

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Petition No. 11/SM/2016

Coram:

Shri Gireesh B. Pradhan, Chairperson

Shri A.K. Singhal, Member

Shri A.S. Bakshi, Member

Dr. M.K. Iyer, Member

Date of Order: 28th of December, 2016

IN THE MATTER OF

Determination of Fee and Charges payable under Regulation 11 of the Central Electricity Regulatory Commission (Terms and Conditions for Recognition and Issuance of Renewable Energy Certificate for Renewable Energy Generation) Regulations, 2010.

ORDER

The Commission notified the Central Electricity Regulatory Commission (Terms and Conditions for Recognition and Issuance of Renewable Energy Certificate for Renewable Energy Generation) Regulations, 2010 (hereinafter referred to as 'REC Regulations') on 18.1.2010. By virtue of clause (1) of Regulation 3 of the REC Regulations, the Commission has nominated the National Load Despatch Centre as the Central Agency to perform the functions under clause (2).

2. Regulation 3(2) of the REC Regulations provides the functions of the Central Agency as under:

- i. Registration of eligible entities;
- ii. Issuance of certificates;
- iii. Maintaining and settling accounts in respect of certificates;
- iv. Repository of transactions in certificates, and

- v. Such other functions incidental to the implementation of renewable energy certificate mechanism as may be assigned by the Commission from time to time.

3. Regulation 11 of the REC Regulations empowers the Commission to determine by order, based on the proposal in this regard from the Central Agency, the fees and charges payable by the eligible entities for participation in the scheme for, registration, eligibility of certificates, issuance of certificates, and other matters connected therewith. The relevant portion of Regulation 11 of the REC Regulations is extracted as under:

"11. FEES and CHARGES

(1) The Commission may from time to time, based on the proposal in this regard from the Central Agency, determine, by order, the fees and charges payable by the eligible entities for participation in the scheme for registration, eligibility of certificates, issuance of certificates and other matters connected therewith.

(2) The fees and charges payable under these regulations may include onetime registration fee and charges, annual fee and charges, the transaction fee and charges for issue of certificate and charges for dealing in the certificate in accordance with these regulations, as the Commission may consider appropriate.

(3) The fees and charges paid by the eligible entities shall be collected by the Central Agency and utilised for the purpose of meeting the cost and expense towards the remuneration payable to the compliance auditors, the officers, employees, consultants and representatives engaged to perform the functions under these regulations."

4. In accordance with the above provisions, the fee and charges payable by the Eligible Entities to participate in the REC Mechanism include:

- a) One-time Registration fee and charges;
- b) Annual fee and charges;

- c) Transaction fee and charges for issue of certificate; and
- d) Charges for dealing in the certificate.

5. In accordance with the above regulations, the Commission vide its order dated 21.9.2010 in Suo Motu Petition No. 230/2010 determined fees and charges for registration and issuance of RECs being levied by the Central Agency as under.

FEES AND CHARGES FOR REGISTRATION

Particulars	Amount in Rs.
Processing Fees (One Time)	1,000
Registration Charges (One Time upon Registration)	5,000
Annual Charges	1,000
Revalidation Charges at the end of 5 years	5,000

FEES FOR ISSUANCE OF REC TO THE ELIGIBLE ENTITY

Particulars	Amount in Rs.
Fees per Certificate	10

6. The above referred fees and charges determined by the Commission were valid till 31.3.2013. The relevant portion of the said order dated 21.9.2010 is extracted as under:

“8. Applicability of the Order

(i) The fee and charges determined through this order shall be payable by the eligible entities participating in the REC Mechanism.

(ii) The Control Period or Review Period of the fee and charges determined through this Order shall be of three years of which the first year shall be the period from the date of publishing of this Order to March 31, 2011.”

7. The Commission vide its order dated 22.4.2013 in Petition No. 67/2013 extended the validity of the Commission's order dated 21.9.2010 till 30.9.2013. The relevant portion of the said order dated 21.9.2010 is extracted as under:

“7. Pending determination of the fees and charges, the fees and charges approved vide order dated 21.9.2010 in Petition No. 230/2010 (suo motu) shall remain in force till 30.9.2013.

8. Further the Commission vide its order dated 5.2.2014 in Suo Moto Petition No. 230/2010 determined fees and charges for registration and issuance of RECs being levied by the Central Agency as under.

FEES AND CHARGES FOR REGISTRATION

Particulars	Amount in Rs.
Processing Fees (One Time)	1,000
Registration Charges (One Time upon Registration)	5,000
Annual Charges	1,000
Revalidation Charges at the end of 5 years	5,000

FEES FOR ISSUANCE OF REC TO THE ELIGIBLE ENTITY

Particulars	Amount in Rs.
Fees per Certificate	4

9. The above referred fees and charges determined by the Commission were valid till 31.3.2014. The relevant portion of the said order dated 5.2.2014 is extracted as under:

“8. After scrutiny of the Audited REC Accounts of the Central Agency, we specifies the fees and charges for registration and issuance of certificates as under:

(a) The existing fees and charges for registration and issuance of certificates shall be continued till 31.3.2014.

- (b) *The fees and charges other than those for issuance of certificates shall be continued as they are at present, even beyond 31.3.2014 until further orders.*
- (c) *Fees for issuance of certificate shall be reduced from the present level of Rs10 per certificate to Rs. 4 per certificate for a period of one year with effect from 1.4.2014.*

10. The Commission vide its letter dated 27.6.2016 had directed the Central Agency to furnish a detailed proposal for determination of fees and charges for the financial year 2016-17 accompanied by audited accounts for the financial years 2013-14, 2014-15 and 2015-16. The Central Agency vide its letters dated 15.7.2016 and 14.09.2016 has submitted the necessary details called for.

11. After scrutiny of the audited REC Accounts of the Central Agency, we specify the fees and charges for registration and issuance of certificates as under:

- a) Fees and charges other than those for issuance of certificates be continued as they are at present until further orders.
- b) The fee for issuance of certificate for the period from 1.4.2015 till the date of issuance of this order by the Commission is to be regularised at the rate of Rs 4/- per certificate.
- c) The fees for issuance of certificate for the period from 1.1.2017 until further orders shall be determined at Rs 2/- per certificate.

Sd/-
(Dr. M.K. Iyer)
Member

sd/-
(A.S. Bakshi)
Member

sd/-
(A.K.Singhal)
Member

sd/-
(Gireesh B. Pradhan)
Chairperson