

CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI

Petition No. 154/2012 (Suo-motu)

Coram:

Dr. Pramod Deo, Chairperson

Shri S. Jayaraman, Member

Shri V.S. Verma, Member

Shri M. Deena Dayalan, Member

Date of order: 6.7.2012

In the matter of:

Empanelment of Compliance Auditor in the area of Renewable Energy Certificate Mechanism.

ORDER

Regulation 13 of the Central Electricity Regulatory Commission (Terms and Conditions for recognition and issuance of Renewable Energy Certificate for Renewable Energy Generation) Regulations, 2010 (REC Regulations), provides for appointment of compliance auditors. Regulation 13(1) reads as under:

"13. Appointment of compliance auditors:

(1) The Commission may, in consultation with the Central Agency, appoint from time to time compliance auditors to inquire into and report on the compliance of these Regulations by the person applying for registration, or on the compliance by the renewable energy generators in regard to the eligibility of the Certificates and all matters connected thereto."

2. As required under the aforesaid regulation, Terms of Reference (TOR) for empanelment of compliance Auditors were prepared by the Commission in consultation with the Central Agency. Subsequently, technical bids for "Empanelment of Compliance Auditor in the area of Renewable Energy Certificate Mechanism" were invited vide notice dated 6.1.2012 and the last date for submission of bids was 2.2.2012. In response, thirty nine (39) bids were received. In terms of the provisions of the Central Electricity Regulatory Commission (Appointment of Consultants) Regulations, 2008, the Chairperson constituted a Consultant Evaluation Committee (CEC) under the chairmanship of Secretary, CERC to evaluate the bids received and recommend individual persons or firms for empanelment as compliance auditor in the area of Renewable Energy Certificate Mechanism.

3. The CEC after evaluation of the bids has recommended for empanelment of the following firms as compliance auditors in the area of Renewable Energy Certificate Mechanism, as per the minutes of the meeting dated 10.4.2012:

S. No.	Name of individual/firms
1.	See-Tech Solutions Pvt. Ltd, Nagpur
2.	S.R. Corporate Consultant (P) Ltd., Raipur
3.	World Institute of Sustainable Energy Kalyani Nagar, Pune
4.	Tetra Tech DLF Cyber city, Gurgaon
5.	P.P. Mittal, Energy Engineers, Faridabad

6.	Energy Advisory Services Pvt. Ltd., New Delhi
7.	ITP Senergy Ltd., Gurgaon
8.	SGS India Pvt. Ltd., Gurgaon
9.	Core Carbonx Solutions Pvt. Ltd., Hyderabad
10.	DNV India, Bangalore

4. The Commission after considering the recommendations of the Consultancy Evaluation Committee, orders empanelment of the firms as mentioned in Para 3 above as Compliance Auditors in the area of Renewable Energy Certificate Mechanism. Such empanelment shall be reviewed by the Commission after two years from the date of this order.

5. The firms empanelled by the Commission should not have any conflict of interest with RE generators or other agencies involved which has selected it for audit into and report on the compliance of REC Regulations. The firms empanelled by the Commission shall be debarred from auditing of RE projects with which they have been associated in the past and shall also be debarred from associating with such project developer in future on the matters which may cause any conflict of interest.

6. Central Agency may choose Compliance Auditor(s) from the panel notified by the Commission from time to time for audit into and report on the compliance of REC Regulations by the person applying for registration, or on the

compliance by the renewable energy generators in regards to the eligibility of the Certificates and all matters connected thereto.

7. As per the Regulation 13 (3) of the REC Regulations, the Commission has to fix remuneration and charges payable to the Compliance Auditors.

Regulation 13(3) reads as under:

“The Commission may from time to time fix the remuneration and charges payable to such auditors and all such amount payable shall be met out of the funds which the Central Agency may collect from the eligible entities.”

8. In pursuance of the above, we direct the Central Agency to propose remuneration and charges to be payable to the Compliance Auditors based on the assessment of man-hour effort/requirement for the possible assignments and with due consideration of the requirements for auditing generating stations based on various RE technologies, location of the project etc. The empanelled Compliance Auditors shall give their inputs to the Central Agency for consideration after selection for assignments. Based on the suggestion from the Central Agency, the Commission will fix remuneration and charges payable to the Compliance Auditors. After the fees have been fixed by the Commission, the Central Agency will formally engage the Compliance Auditor(s) for specific assignments after entering into an agreement. All empanelled auditors will be allocated work equally in terms of entities to be audited and quantum of work.

Report of the Compliance Auditors will be submitted as per agreement to the Central Agency who will forward a copy to the Commission, with their comments.

Sd/-

(M. DEENA DAYALAN)
MEMBER

sd/-

(V.S. VERMA)
MEMBER

sd/-

(S. JAYARAMAN)
MEMBER

sd/-

(Dr. PRAMOD DEO)
CHAIRPERSON