

ANNEXURE

Electricity (promoting renewable energy through Green Energy Open Access) Rules, 2021

G.S.R. (E).- In exercise of the powers conferred by sub-section (1) read with clause (z) of sub-section (2) of section 176 of the Electricity Act, 2003 (Act 36 of 2003), the Central Government hereby makes the following rules, namely:-

1. Short title and commencement

(a) These rules may be called the Electricity (promoting renewable energy through Green Energy Open Access) Rules, 2021.

(b) They shall come into force on the date of their publication in the Official Gazette.

2. Definitions – In these rules, unless the context otherwise, requires: -

(a) “Act” means the Electricity Act, 2003 (36 of 2003);

(b) “Entity” means any consumer who have contracted demand/sanctioned load of 100 kW or more except for captive consumers.

(c) “Green energy” means electrical energy generated from renewable sources of energy;

(d) The words and expressions used and not defined herein but defined in the Act shall have the meaning assigned to them in the Act.

3. Applicability – This rule shall be applicable for purchase and consumption of green energy including the energy from Waste-to-Energy plant.

4. Renewable Purchase Obligation (RPO)

(1) There shall be uniform Renewable Purchase Obligation, on all obligated entities that is - the distribution licensees, open access consumers and captive power consumers, from the date of notification of these Rules.

(2) Any entity-whether obligated or not - may elect to purchase and consume Renewable Energy as per their Requirements by one or more of the following methods.

(A) Own Generation from renewable energy sources: -

There shall not be any capacity limit for installation of power plants from Renewable Energy sources, behind the meter. “Behind the meter” means the electricity generated for their own use and not for injection of such power into the electricity grid. Distribution licensee shall not be liable to purchase such energy. The Generating plant may be set up by the Entity itself or

by a Developer with which the Entity enters into a Medium/Long Term Power Purchase Agreement.

(B) By procuring Renewable Energy through Open Access from any Developer with which the entity enters into an agreement.

(C) By requisition from distribution licensee:-

(a) Any entity may elect to purchase green energy only upto a certain percentage of the consumption or its entire consumption and they may place a requisition for this with their Distribution Licensee, which shall procure such quantity of green energy and supply it.

(b) Green energy can be purchased against Renewable Purchase Obligation on consumption from captive power plant or energy availed through open access from sources other than Renewable Energy sources;

(c) Consumer may purchase - on a voluntary basis - a larger quantity / share of renewable energy than he is obligated to do. For ease of implementation this may be a minimum 50% of consumption from greenenergy, which can go upto 100% in step of 25% (i.e. 50%, 75%, 100%).

(d) The Tariff for the Green Energy shall be determined by the Appropriate Commission, which may comprise of the average pooled power purchase cost of the renewable energy, cross-subsidy charges (if any) and service charges covering all prudent cost of the distribution licensee for providing the green energy.

(e) Any requisition for green energy from a distribution licensee shall be for a minimum period of one year. The quantum of green energy shall be prespecified for at least one year.

(f) Green energy purchased from distribution licensee shall be counted towards Renewable Purchase Obligation compliance of the distribution licensee.

(g) Accounting of renewable energy supplied at distribution licensee level will be on monthly basis.

(D) Purchase of renewable energy certificates; To meet the Renewable Purchase Obligation, Renewable Energy Certificates can be purchased in accordance with the applicable regulations.

(E) Purchase of green hydrogen; "Green hydrogen" is the hydrogen produced using electricity from the renewable sources. The obligated entity including the Industries can also meet their Renewable Purchase Obligation by purchasing green hydrogen. The quantum of green hydrogen would be computed by considering the equivalence to the Green hydrogen produced from one MWh of electricity from the renewable sources or its multiple. The norms shall be notified by the Central Commission.

(F) Any other sources, as may be, prescribed by the Central Government.

5. Green energy Open Access.- The Appropriate Commission shall put in place regulations in accordance with this Rule to provide Green Energy Open Access to consumers who are

willing to consume the Green energy. All applications for open access of Green Energy shall be granted within a maximum of 15 days. Provided that only Consumers who have contracted demand/sanctioned load of hundred kW and above shall be eligible to take power through green energy open access. There shall be no limit of supply of power for the captive consumers taking power under green energy open access. Provided further that reasonable conditions such as the minimum number of time blocks for which the consumer shall not change the quantum of power consumed through open access may be imposed so as to avoid high variation in demand to be met by the distribution licensee.

6. Nodal Agency.

(1) A Central nodal agency shall be notified by the Central Government which will operate a single window green energy open access system for renewable energy. The Central nodal agency shall set up a Centralised Registry for all green energy open access consumers. All the applications related to green energy open access shall be submitted on the portal set up by Central Nodal Agency. The application will then get routed to the concerned nodal agency notified by the Appropriate Commission for grant of green energy open access.

(2) The Appropriate Commission shall notify the appropriate Load Despatch Centre as the Nodal Agency for grant of Green energy open access for short term, to be defined by the Appropriate Commission, and, the State or Central Transmission Utility, as the case may be, as the Nodal Agency for grant of Green energy open access, for medium and long term, to be defined by the Appropriate Commission.

(3) The Nodal Agencies shall make available all relevant information regarding green energy open access to the public on the portal of Central nodal agency.

7. Procedure for grant of Green Energy Open Access.-

(1) The Forum of Regulators shall prepare in sixty days a common application format for the Green energy open access which shall be adopted by the Appropriate Commission. This format shall also be used in the online portal for making application for green energy open access.

(2) Applications complete in all respects, as specified by the State Commission, for green open access shall be submitted on the portal set up by Central Nodal Agency. The application shall be approved within fifteen days failing which it will be deemed approved subject to the fulfilment of the technical requirement specified by Appropriate Commission.

(3) Short term and medium term open access shall be allowed if there is sufficient spare capacity in the transmission system without any augmentation whereas for long term open access, the transmission system may be augmented. However, priority shall be given to long term in the existing system if spare capacity is available. Further, open access for non-fossil fuel sources shall be given priority over the open access from the fossil fuel.

(4) No application for open access shall be denied without a written order after giving the applicant an opportunity of being heard.

(5) Appeals against an order of the Nodal Agency, as referred to in subrule (4) shall lie with the Appropriate Commission.

8. Banking

(1) Banking may be permitted on monthly basis on payment of charges to compensate additional costs, if any, to the distribution licensee by the Banking. The appropriate Commission shall fix the applicable charges.

(2) The quantum of banked energy by the green open access consumers shall not be more than ten percentage of the total annual consumption of electricity from the Distribution licensee by the consumers.

9. Cross Subsidy Surcharge

(a) Cross Subsidy Surcharge shall be levied on consumers who are permitted open access as per the provisions of Tariff policy notified by the Central Government under the Electricity Act 2003:

Provided that the surcharge for green open access consumer purchasing green energy, from a generating plant using renewable energy sources, shall not be increased, during twelve years from the date of commissioning of the generating plant using renewable energy sources, by more than fifty percent of the surcharge fixed for the year in which open access is granted. Provided further that Additional surcharge shall not be applicable for green open access consumers; Provided further that Cross Subsidy Surcharge and Additional Surcharge shall not be applicable in case power produced from a Waste-to-Energy plant is supplied to the open access consumer.

(b) The Cross Subsidy Surcharge payable by a consumer shall be such as to meet the current level of cross subsidy within the area of supply of the distribution licensee.

(c) Standby charges, if required, shall be specified by the State Commission.

10. The distribution licensee shall give green certificate on yearly basis to the consumers for the green energy supplied by the licensee to consumer on his request beyond the Renewable Purchase Obligation of the consumers.

11. State Commission may introduce the concept of rating/labelling of the consumer of the distribution licensee, based on the percentage of green energy purchased by such company.

12. In order to have common methodology for calculation of all the open access charges, Forum of Regulators shall prepare a model regulation on methodology for calculation of open access charges for open access consumer in four months from the date of notification of this Rule.