



Sachin Bayas/Vikas Patil

14th November, 2018
CREG/MUM/MERC/2018/322

To,
Secretary,
Maharashtra Electricity Regulatory Commission,
13th Floor, Centre No 1, World Trade Centre,
Cuffe Parade, Colaba,
Mumbai 400 005



Dear Sir,

Subject: Compliance to Renewable Purchase Obligation of Tata Power-D for FY 2017-18

Ref to your letter: MERC/RE CELL//RPO/2017-18/1269 dated 25th October, 2018

This has reference to the above-mentioned letter regarding Verification and Compliance of the Renewable Purchase Obligation (RPO) targets of Tata Power-D for FY 2017-18, as specified under MERC (Renewable Purchase Obligation, its compliance and Implementation of REC framework) Regulations, 2016, wherein responses have been sought to the various queries raised.

We have enclosed our point wise response on the same as **Appendix** to this letter.

We trust this satisfies your requirement.

Yours Faithfully,

*Swati Mehendale
14/11/18*

Swati Mehendale
Head – Regulatory (WR)

Encl – Appendix

CC: Maharashtra Electricity Development Agency (MEDA), Pune

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Verification and Compliance of Renewable Purchase Obligation targets of Tata Power -D for FY 2017-18

Our point wise response to the queries raised by the Hon'ble Commission regarding RPO Compliance is as follows:

Query

a) *TPC-D should verify the RPO settlement details for FY 2017-18, as submitted by MEDA (copy attached as Annexure with this letter) and highlight discrepancies, if any, along with proper justification.*

Response

We have verified the data submitted by MEDA regarding RPO for FY 2017-18 and brought out the discrepancies in a comparison table provided below:

Table 1: Discrepancy in the RPO Data for FY 2017-18

Particulars		Requirement @ InSTS	Non- Solar Target	Mini / Micro Hydro target	Solar Target	Non- Solar Achieved	Mini / Micro Hydro Achieved	Solar Achieved
FY 2017-18								
% obligation			10.50%	0.02%	2.00%			
Data submitted by MEDA	1	4,542.747	476.988	0.954	90.855	434.24	0.95	70.20
As per Tata Power-D	2	4,542.689	476.982	0.954	90.854	477.15	0.95	70.20
Discrepancy	3=1-2	0.058	0.006	0.000	0.001	-42.92	-0.00	0.00

As seen from Table 1, there are minor discrepancies between the data submitted by MEDA and that of Tata Power-D. The discrepancies are explained further below:

- i) The difference in Energy Requirement of Tata Power-D at InSTS in FY 2017-18 as compared to MEDA is because of the following reasons:
 - a) Changeover Sales have been revised based on the monthly settlement of energy between Tata Power-D and Rinfra-D
 - b) Transmission loss figures have been revised based on the revision from Maharashtra State Load Dispatch Centre (MSLDC)

Further, we wish to submit that the energy requirement will be finalized once the final FBSM bills will be issued by MSLDC.

Keeping this in mind, the revised provisional Energy Requirement of Tata Power-D at InSTS in FY 2017-18 is 4542.689 MUs.

- ii) On account of the change in the InSTS requirement of Tata Power-D as explained above the RPO targets which are a function of the energy requirement has accordingly changed. The change in RPO targets has been brought out in the table above.
- iii) With respect to RPO Achievement, the discrepancy has been observed in the case of Non-Solar RPO achieved. The total Non-Solar RECs procured by Tata Power-D during FY 2017-18 were 54.968 MUs however, the number reflected in the MEDA letter is 12.968 MUs which is creating a discrepancy of 42.92 MUs.

In this regard, we wish to submit that Tata Power-D had purchased Non-Solar RECs equivalent to 22 MUs and 20 MUs in January and February respectively (see **Annexure 1**) and the same was included in "Form I (C) – RPO Settlement Account – FY 2017-18" of the RPO Report FY 2017-18 submitted to MEDA on 6th July, 2018 vide letter CREG/MUM/MEDA/2018/163 (**Annexure 2**). However, due to an inadvertent formula error the total of RECs purchased from Exchange showed only the MUs purchased in March, 2018 (12.968 MUs) as against the correct quantum of 54.968 MUs (refer figure below).

Figure 1: Incorrect submission of total Non-Solar RECs purchased in FY 2017-18

Form I: RPO Settlement Account -FY2017-18													
C-Non-Solar (i.e. Other Than Solar & Mini/Micro Hydro)													
Name: The Tata Power Company Ltd.-Distribution													
Gross Energy Consumption	RPO % Obligation	RPO % Obligation up to	RPO % Obligation Cumulative	RE Purchase for the Month			RE purchase Upto previous Month		RE cumulative up to month (2)			Short if Any (1-2)	
				Prefer. Tariff	REC Purchased from Exchange	REC-Self Retention	Prefer. Tariff	REC	Prefer. Tariff	REC	Total (PT+REC)		
	10.479%												
October	423.067	44.333	255.618	299.951	8.086	0.000	34.336	203.892	37.482	211.977	71.818	283.795	16.156
November	369.542	38.724	299.951	338.676	11.629	0.000	4.907	211.977	71.818	223.607	76.725	300.332	38.344
December	317.831	33.305	338.676	371.981	18.366	0.000	0.000	223.607	76.725	241.973	76.725	318.698	53.283
January	310.190	32.505	371.981	404.486	9.325	22.000	53.559	241.973	76.725	251.298	152.284	403.583	0.903
February	299.563	31.391	404.486	435.877	8.599	20.000	11.434	251.298	152.284	259.897	183.718	443.616	-7.738
March	383.216	40.157	435.877	476.034	9.684	12.968	9.929	259.897	183.718	269.581	206.616	476.197	-0.163
Total	4542.747	476.034	435.877	476.034	269.581	12.968	151.648			269.581	206.616	476.197	-0.163

On account of the abovementioned changes, the quantum with respect to shortfall/surplus would change. Accordingly, we have enclosed the corrected and updated RPO report for FY 2017-18 as **Annexure 3**.

In view of the above, we request the Hon'ble Commission to consider this revised RPO report for RPO Verification for FY 2017-18.

Query

b) TPC-D should submit the status of its Solar, non-Solar RPO compliance including Mini-Micro Hydro RPO compliance, as per the directives of the Commission vide Orders in Case No. 182 of 2013, Case No. 192 of 2014, Case No. 18 of 2016, Case No. 171 of 2016 and Case 209 of 2017 along with detailed statement for project wise energy procurement in MUs from all Solar and Non-Solar generating projects including Mini-Micro Hydro projects and project wise contracted Solar & Non-Solar power capacity in MW including Mini-Micro Hydro projects, during FY 2010-11 to FY 2017-18.

Response

Solar RPO Compliance

FY 2010-11 to FY 2016-17

In the case of Solar RPO obligation, Tata Power-D had already met the cumulative shortfall of FY 2010-11 to FY 2013-14 in the year FY 2015-16. Further, the standalone Solar RPO target for FY 2014-15 was met in the same year. The same has been approved by the Hon'ble Commission in its Order dated 16th June, 2017 in Case No. 171 of 2016. The extract of the order is given below:

"17. The Commission notes that Tata Power-D has

- 1) fulfilled its stand-alone Solar RPO target for 2015-16, with a surplus of 44.05 MUs, and a cumulative surplus of 0.22 MUs for the period from FY 2010-11 to FY 2015-16;.."*

As seen from the above Tata Power-D has fulfilled the cumulative target upto FY 2015-16.

With regards to FY 2016-17, Tata Power-D has met its standalone solar RPO targets and the same has been approved by the Hon'ble Commission in its Order dated 31st July, 2018 in Case No. 209 of 2017. The extract of the order is given below:

"15. The Commission notes that Tata Power-D has

- 1) Fulfilled its stand-alone Solar RPO target for FY 2016-17 , with a surplus of 4.471 MUs, and a cumulative surplus of 4.691 MUs..."*

FY 2017-18

With regards to Solar RPO, Tata Power-D has a standalone shortfall of **20.65 MUs** for FY 2017-18.

The detailed project wise summary of energy procurement in MUs from all Solar Generating Stations including energy procurement through REC is as given below:

Table 2: Source wise Solar Generation from FY 2010-11 to FY 2017-18

Resources	Contracted Capacity	FY 2010-11	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15	FY 2015-16	FY 2016-17	FY 2017-18
UoM	MW	MUs	MUs	MUs	MUs	MUs	MUs	MUs	MUs
Mulshi Solar	3 MW	0.05	4.03	4.33	4.05	4.12	4.34	4.00	3.81
Solar Rooftop	60 kWp	-	0.09	0.07	0.06	0.07	0.07	0.04	0.01
Palaswadi Solar	25 MW	-	-	-	-	38.16	47.63	46.86	45.53
Net Metering								0.08	0.84
REC Certificate - Solar	-	-	-	0.31	1.57	9.00	22.10	0.00	20.00
Total		0.05	4.12	4.70	5.68	51.35	74.15	50.98	70.20

The standalone Solar RPO target for FY 2017-18 is 90.85 MUs and the standalone Solar RPO achievement is 79.20 MUs resulting in a standalone shortfall of 20.65 MUs. The cumulative shortfall/surplus of Solar RPO from FY 2010-11 to FY 2017-18 is as shown in table below:

Table 3: Cumulative Shortfall/(Surplus) in Solar RPO

Particulars		FY 2010-11	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15	FY 2015-16	FY 2016-17	FY 2017-18
Opening	a	0	11.50	22.69	35.36	63.91	43.83	-0.22	-4.69
Solar Target	b	11.55	15.31	17.37	34.22	31.30	30.10	46.51	90.85
Solar RPO met	c	0.05	4.12	4.7	5.68	51.38	74.15	50.98	70.20
Standalone Shortfall/(Surplus)	d=b-c	11.50	11.19	12.67	28.54	-20.08	-44.05	-4.47	20.65
Cumulative Shortfall/(Surplus)	e=a+b-c	11.50	22.69	35.36	63.91	43.83	-0.22	-4.69	15.96

Note: The process of obtaining tradeable RECs against the cumulative surplus of 0.22 MUs for FY 2015-16 and 4.47 MUs for FY 2016-17 is underway and these figures have been included above for representation purposes only. The above table is subject to change post actual utilization of this surplus in appropriate financial years.

From the above table, it can be observed that Tata Power-D has met its cumulative shortfall for the previous years but has now a standalone shortfall in FY 2017-18. This shortfall has been met through purchase of Solar RECs in April, 2018 the details of which are elaborated in response to Query 3.

Non-Solar RPO Compliance

FY 2010-11 to FY 2016-17

In case of Non-Solar RPO obligation Tata Power-D had met the cumulative shortfall in the year FY 2013-14 & standalone target for FY 2014-15. The same has been approved by the Hon'ble Commission through its Order in Case 192 of 2014 dated 27th April 2015 & in Case 18 of 2015 dated 31st August 2016. The extract of the two Orders are as given below:

Case 192 of 2014 dated 27th April 2015

"The Commission notes that TPC has fulfilled its Non-Solar RPO targets, but not its Solar RPO and Mini/Micro Hydro Power (within the Non-Solar) RPO targets, for FY 2013-14. TPC has also fulfilled its Non-Solar RPO target by 2013-14, and exceeded its Non-Solar RPO target for FY 2013-14 by 8.56 MUs."

Case 18 of 2015 dated 31st August 2016

"As will be seen from the above Table, TPC-D has fulfilled its stand-alone Solar and Non-Solar RPO targets for FY 2014-15, with a surplus of 20.08 MUs and 2.42 MUs respectively, but not the Mini /Micro Hydro Power target (within the Non- Solar RPO), with a stand-alone shortfall of 1.06 MUs. Including past years, at the end of FY 2014-15 TPC-D had a cumulative surplus of 12.18 MUs against its Non- Solar RPO targets, and a cumulative shortfall against its Solar and Mini /Micro Hydro targets of 43.83 MUs and 3.44 MUs, respectively."

In the case of FY 2015-16, Tata Power-D has met the Non-Solar RPO target with standalone surplus of 1.89 MUs and the Hon'ble Commission has approved the same in its Order dated 16th June, 2017 in Case No. 171 of 2016. The extract of the Order is provided below:

"17. The Commission notes that Tata Power-D has

.....

2) fulfilled its stand-alone Non-Solar RPO target for FY 2015-16 , with a surplus of 1.89 MUs, and also has a cumulative surplus of 14.07 MUs

In the case of FY 2016-17, Tata Power-D has met the Non-Solar RPO target with standalone surplus of 4.226 MUs and the Hon'ble Commission has approved the same in its Order dated 31st July, 2018 in Case 209 of 2017. The extract of the Order is provided as under:

"15. The Commission notes that Tata Power-D has

.....

ii) Fulfilled its stand-alone non-Solar RPO target of FY 2016-17 with a surplus of 4.416 MUs, and has a cumulative surplus of 18.296 MUs....”

FY 2017-18

In case of FY 2017-18, the detailed project wise summary of energy procurement in MUs from all Wind Generating Stations including energy procurement through REC is as given below:

Table 4: Project Wise Summary of Energy Procurement from Wind Generating Stations including energy procurement through RECs

Resources	Contracted Capacity	FY 2010-11	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15	FY 2015-16	FY 2016-17	FY 2017-18
UoM	MW	MUs	MUs	MUs	MUs	MUs	MUs	MUs	MUs
Supa	17	22.96	19.63	-	-	-	-	-	-
Nivede	20.95	-	-	30.41	23.71	-	-	-	-
Khandke	50.4	96.43	108.41	110.32	113.94	97.16	98.74	84.29	75.82
Bramhanvel	11.25	16.03	17.09	18.98	18.07	16.94	17.96	20.16	17.96
Sadawaghapur	17.5	26.18	32.14	31.36	29.31	26.00	25.74	32.06	27.28
Visapur 6 MW	6	-	12.75	11.94	13.06	11.65	10.89	11.84	10.65
Visapur 4 MW	4	7.42	7.59	7.47	7.39	6.17	6.45	6.94	6.15
Visapur (GSW) 24 MW	24	-	-	-	-	8.65	30.11	35.25	31.11
Visapur (GSW) 8 MW	8	-	-	-	-	1.65	10.10	10.45	8.90
Agaswadi	49.5	-	29.33	112.28	113.88	100.64	98.57	104.05	91.71
Bilateral	-	50.14	-	-	-	-	-	-	-
REC	-	-	188.39	261.00	271.00	264.56	215.08	164.28	207.57
Total		219.17	415.33	583.76	590.37	533.42	513.66	469.32	477.15

As seen from the above Tata Power-D has met the total requirement of Non-Solar RE obligation for FY 2017-18 through procurement of RE power to the tune of 269.58 MUs & balance 207.57 MUs through REC purchase.

Mini/Micro Hydro RPO Compliance

The status of cumulative compliance of Mini / Micro Hydro Plant is as given in the table below:

Table 5: Status of Mini/Micro Hydro RPO Compliance till FY 2017-18

Particulars		FY 2010-11	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15	FY 2015-16	FY 2016-17	FY 2017-18
Opening	a	0	0.27	0.68	1.22	2.38	3.45	1.55	0.00
Mini-Micro Hydro RPO Target	b	0.27	0.41	0.54	1.16	1.06	1.02	0.93	0.95
Mini-Micro Hydro RPO met	c	0	0	0	0	0	2.92	2.48	0.95
Standalone Shortfall/(Surplus)	d=b-c	0.27	0.41	0.54	1.16	1.06	-1.90	-1.55	-0.00
Cumulative Shortfall/(Surplus)	e=a+b-c	0.27	0.68	1.22	2.38	3.45	1.55	0.00	0.00

Cumulative shortfall from FY 2010-11 to FY 2016-17 & FY 2017-18

As seen from the above table the opening balance for cumulative shortfall upto FY 2015-16 was 1.55 MUs. In this regard, we wish to submit that, the Hon'ble Commission has in its Order 171 of 2016, dated 16th June 2017 allowed Tata Power-D to purchase Non-Solar RECs in the FY 2016-17 to meet the cumulative shortfall of 1.55 MUs remaining for the period till FY 2015-16.

The relevant extract of the Order 171 of 2016 is reproduced below:

"18. In its earlier Order in Case No 18 of 2016 dated 31 August, 2016 (on RPO compliance verification for FY 2014-15), the Commission had allowed Tata Power-D to compensate for the shortfall against its Mini/Micro Hydro RPO targets by purchase of Non-Solar RECs to that extent in FY 2016-17 to meet any shortfall still remaining for the period upto FY 2014-15. The Commission notes that Tata Power-D has made efforts to procure energy from Mini/Micro Hydro Projects prior to and during FY 2015-16 by floating tenders three times, lastly in November, 2016 but has not received any response. By purchasing additional Non-Solar RECs equivalent to 2.92 MUs, it has fulfilled its stand-alone Mini/Micro Hydro RPO target for FY 2015-16 with a surplus of 1.90 MUs. However, it still has cumulative shortfall of 1.55 MUs which can be met in FY 2016-17."

Accordingly, Tata Power-D has met the cumulative short fall in its Mini/Micro Hydro RPO compliance shortfall till FY 2015-16 through purchase on Non-Solar RECs during the year FY 2016-17. The same has been approved by the Hon'ble Commission in its Order in Case 209 of 2017 dated 31st July, 2018. The relevant extract of the Order is reproduced below,

"...15. The Commission notes that Tata Power-D has

.....

iii. Fulfilled its stand-alone Mini/Micro target of FY 2016-17 with a surplus of 1.55 MUs for FY 2016-17 and exactly meet out cumulative target till FY 2016-

17

..."

Further, we wish to submit that as can be observed from the above Table, Tata Power-D has met its Mini/Micro Hydro RPO target of 0.95 MUs for FY 2017-18.

Query

- c) TPC-D should submit detailed list of actions and efforts undertaken by it prior to and during FY 2017-18 to ensure compliance of its RPO targets in respect of Solar RPO, Non-solar RPO and Mini/Micro hydro RPO for FY 2017-18.
- d) TPC-D should submit the details for long term RE procurement plan for meeting the RPO targets for FY 2018-19.

Response

Solar RPO Compliance in FY 2017-18

With respect to Solar RPO, Tata Power-D has a standalone shortfall of 20.65 MUs in FY 2017-18.

In this regard, we wish to submit that the demand of Tata Power-D is fluctuating due to consumers moving on Open Access and movement of Changeover consumers. Hence, Tata Power-D is purchasing RE power through its current contracted capacity of 28.06 MW on long term basis & balance requirement through REC. Accordingly, Tata Power-D had purchased 20,000 RECs or 20 MUs equivalent in the month of April, 2017 and had planned to purchase additional RECs in the month of May, 2017. However, due to the suspension in trading of Solar RECs by Hon'ble Supreme Court, Tata Power-D was not able to purchase Solar RECs required to meet its Solar RPO. The relevant extracts of the Interim Order of the Hon'ble Supreme Court dated 8th May, 2017 in Civil Appeal No. 6083/2017 is reproduced below,

"Heard the learned Senior counsel appearing for the appellants in both the Civil Appeals and the learned counsel appearing for the Commission.

Let notice be issued in the matters, returnable after eight weeks.

*In the meantime, there shall be **stay of the order of the Central Electricity Regulatory Commission.**"*

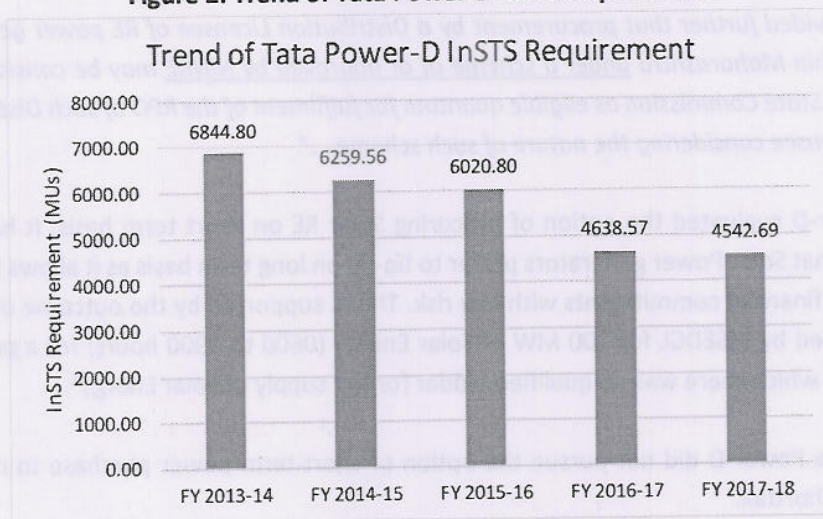
(emphasis added)

Tata Power-D explored the options of meeting this Solar RPO shortfall through three options namely, Long Term Power Purchase, Short Term Power Purchase and REC Purchase.

Option 1 - Long Term Power Purchase

Tata Power-D had evaluated the option of procuring solar energy via long term tie-ups with solar generating plants. However, as stated earlier the requirement of Tata Power-D is fluctuating and depends upon the quantum of changeover consumers, reverse changeover & demand moving on Open Access. The year wise trend of Tata Power-D's InSTS requirement is as given below:

Figure 2: Trend of Tata Power-D InSTS requirement



This uncertainty in the power scenario makes it difficult to predict the long-term trajectory of demand. If Tata Power-D ties up surplus power through long term sources there is a risk of surplus purchase as compared to the RPO obligation.

Hence, Tata Power-D did not pursue the option of entering into any new long-term tie-ups until the demand stabilizes.

Option 2 - Short Term Power Purchase

Further, Tata Power-D has evaluated the option of procuring solar RE power through short term power purchase. The RPO Regulations, 2016 provide for RE procurement in accordance with the tariffs approved under the RE Tariff Regulations, which are for longer periods, the RPO Regulations also allow Distribution Licensees and other Obligated Entities to meet their RPO by purchasing RECs, or a scheme approved by the MNRE.

The extract of Regulation 7.2 of RPO Regulations, 2016 is provided under:

"....7.2 An Obligated Entity may meet its RPO target by way of its own generation or procurement of power from another RE Project or by purchase from a Licensee or by purchase of RECs or by a combination of these options:

Provided that procurement of RE power generated within Maharashtra by a Distribution Licensee at a rate other than that approved by the State Commission directly from a Generator or a Trading Licensee shall not be considered as eligible quantum for fulfilment of the RPO of such Distribution Licensee;

Provided further that procurement by a Distribution Licensee of RE power generated within Maharashtra under a scheme of or approved by MNRE may be considered by the State Commission as eligible quantum for fulfilment of the RPO of such Distribution Licensee considering the nature of such scheme...."

Tata Power-D evaluated the option of procuring Solar RE on short term basis. It has been observed that Solar Power generators prefer to tie-up on long term basis as it allows them to meet their financial commitments with low risk. This is supported by the outcome of recent tender issued by MSEDCL for 100 MW of Solar Energy (0600 to 1900 hours) for a period of one year in which there was no qualified bidder for the supply of Solar Energy¹.

Hence, Tata Power-D did not pursue the option of short-term power purchase to meet its Solar RPO shortfall.

Option 3 - REC Purchase

Tata Power-D had proactively procured 20,000 Solar RECs or 20 MUs equivalent Solar RECs at floor price of Rs 1000/REC in April, 2017 and had planned to procure additional Solar RECs in May, 2017. However, it was not able to do so due to the suspension of trading of Solar RECs as per order of Hon'ble Supreme Court.

The detailed note regarding the proceedings in various courts of law with respect to Solar REC rates is enclosed as **Annexure 4**. On account of the Solar REC matter pending in the various courts of law, the Solar REC trading was suspended from May 2017 to 12th April, 2018. Immediately after the trading was resumed, Tata Power-D has purchased Solar RECs in April, 2018 to meet the shortfall of FY 2017-18.

We wish to further submit that Tata Power-D had filed a petition with the Hon'ble Commission on 28th March, 2018 with the following prayers:

¹Hon'ble Commission's Order in Case 155 of 2017

- To allow Tata Power-D to fulfill its Solar RPO targets for FY 2017-18 to meet cumulatively in FY 2018-19
- Condone any inadvertent omissions/errors/shortcomings and permit Tata Power-D to add/change/modify/alter this filing and make further submissions as may be required at a future date
- Issue any other directions it seems fit

However, subsequently as directed by the Hon'ble Commission, this matter was merged with the verification proceedings of RPO for FY 2017-18 and hence Tata Power-D withdrew the petition with the understanding that the prayers in this petition will be dealt with through the Suo-Motu verification process for FY 2017-18 of the Hon'ble Commission. We request the Hon'ble Commission to consider the above listed prayers for allowing Tata Power-D to fulfill its Solar RPO targets for FY 2017-18 to meet cumulatively in FY 2018-19.

Solar RPO for FY 2018-19

Considering the approved sales of Tata Power-D of 4648.18 MUs, the total Solar RPO requirement would be around 127.82 MUs considering 2.75% Solar RPO obligation.

Tata Power-D proposes to meet this requirement in the following manner:

Tata Power-D has certain contracted capacity which will be used to meet Solar RPO for FY 2018-19 as shown in Table 6 below.

Table 6: Long Term Power Purchase Agreements from Solar Renewable Sources

Sources	Contracted Capacity (MW)
Solar	
Mulshi	3.00
Carnac Roof Top	0.06
Palaswadi	25.00
Total	28.06

Through these long-term tie-ups, Tata Power-D is expected to meet most of its Solar RPO. Further, Tata Power-D is exploring the option of meeting its balance requirement through additional long-term and short-term tie-ups/REC.

In addition to the above, the Hon'ble Commission in its Orders dated 16th June, 2017 in Case 171 of 2016 and 31st July, 2018 in Case No 209 of 2017, has allowed Tata Power-D to explore the option of obtaining tradeable RECs against excess over the RPO target by applying to the Central Agency. The extracts of the Orders are as given below:

Case 171 of 2016

"As regards the stand-alone and cumulative surplus against the Solar and Non-Solar RPO as at the end of FY 2015-16, the Commission notes that the Central Electricity Regulatory Commission (CERC) REC Regulations (Third Amendment) dated 30 December, 2014 provides Distribution Licensees the option to obtain tradeable RECs against the excess over the RPO target by applying to the Central Agency for issue of RECs provided certain conditions are met. In pursuance of its Order dated 11 January, 2016 in Case No 39 of 2015, the Secretariat of the Commission has issued certificates in the prescribed format to enable Reliance Infrastructure Ltd. to approach the Central Agency accordingly in respect of the excess over its Solar and Non-Solar RPO targets in FY 2013-14 and FY 2014-15. TPC-D may explore this option in the first instance."

Case 209 of 2017

"17. The Commission further notes that TPCD-D has requested in its submission that it will approach the Commission for utilising the surplus of 4.47 MUs and 2.67 MUs for Solar RPO and Non-Solar RPO respectively, in future years by obtaining tradeable RECs against this surplus in line with CERC REC Regulations (Third Amendment), 2014 and MERC Order in Case 171 of 2016 in the matter of RPO Verification of TPC-D for FY 2015-16. The Secretariat of the Commission had issued the certificate to TPC-D in prescribed format for excess of Solar and non-Solar energy procurement in FY 2015-16 on 14 December, 2017 in line with the direction given by the Commission in its Order dated 16 June, 2017 in Case No 171 of 2016. TPC-D may explore the option of obtaining the Certificate for tradable RECs against surplus Solar and non-Solar energy procurement in FY 2016-17."

For surplus RPO approved for FY 2015-16, Tata Power-D has completed REC accreditation and registration against surplus solar RPO of 0.22 MUs and is in the process of redeeming/retaining this REC quantum.

For the surplus RPO approved for FY 2016-17, Tata Power-D has requested the Hon'ble Commission vide Letter CREG/MUM/MERC/321 dated 12th November, 2018 to certify the excess Solar purchase of 4.473 MUs for issuance of REC's as per the CERC REC (Third Amendment) Regulations, 2014. Tata Power-D will follow the process as per the CERC REC (Third Amendment) Regulations, 2014 and will utilize these RECs in FY 2018-19 or in future years as required.

Non Solar RPO

Considering the approved sales of Tata Power-D of 4648.18 MUs, the total Non-Solar RPO requirement would be around 511.30 MUs considering 11.00% Non-Solar RPO obligation.

Tata Power-D has met the Non-Solar obligation for FY 2017-18 and has sufficient contracted capacity already tied up to meet Non-Solar RPO for FY 2018-19 as shown in Table 7 below. Further, Tata Power-D is exploring the option of meeting its balance requirement through additional long-term and short-term tie-ups/REC.

Table 7: Long Term Power Purchase Agreements from Non-Solar Renewable Sources

Sources	Contracted Capacity (MW)
Khandke	50.4
Bramhanvel	11.25
Sadawaghapur	17.5
Visapur 6 MW	6
Visapur 4 MW	4
Visapur (GSW) 24 MW	24
Visapur (GSW) 8 MW	8
Agaswadi	49.5
Total	170.65

Further, the Hon'ble Commission in its Orders dated 16th June, 2017 in Case 171 of 2016 and 31st July, 2018 in Case No 209 of 2017, has allowed Tata Power-D to explore the option of obtaining tradeable RECs against excess over the RPO target by applying to the Central Agency.

For surplus RPO approved for FY 2015-16, Tata Power-D has completed REC accreditation and registration against surplus solar RPO of 1.892 MUs and is in the process of redeeming/retaining this REC quantum.

For surplus RPO approved for FY 2016-17, Tata Power-D has requested the Hon'ble Commission to certify the excess Non-Solar purchase of 4.222 MUs for issuance of REC's as per the CERC REC (Third Amendment) Regulations, 2014. Tata Power-D will follow the process as per the CERC REC (Third Amendment) Regulations, 2014 and will utilize these RECs in FY 2018-19 or in future years as required.

Mini/Micro Hydro RPO

In line with the directives of the Hon'ble Commission, Tata Power-D has taken significant efforts to procure energy from Mini/Micro Hydro projects, which have been elaborated further below:

- a) Tata Power-D had floated a tender on 25th October 2017 (**Annexure 5**) for procurement of Mini/Micro Hydro power for which it has received no responses.

- b) Further, for FY 2018-19 Tata Power-D is exploring the option of meeting its balance requirement through additional long-term and short-term tie-ups/REC.
- c) Any shortfall in Mini/Micro Hydro RPO achievement in FY 2018-19 will be met through purchase of Non-Solar RECs.

Table 3: Long Term Purchase Agreements from Non-Solar Renewable sources

Source	Capacity (MW)
Contract	50.0
Renewable	11.25
Contract	17.7
Visva 8 MW	8
Visva 2 MW	2
Visva 10 MW	10
Visva 10 MW	10
Aggregat	40.7
Total	139.65

Further, the Hon'ble Commission in its Order dated 10th June, 2017 in Case 171 of 2016 and 27th July, 2018 in Case No 208 of 2017, has allowed Tata Power-D to explore the option of obtaining tradeable RECs against excess over the RPO target by applying to the Central Agency.

For surplus RPO approved for FY 2018-19, Tata Power-D has completed REC accreditation and registration against surplus RPO of 1,892 MWh and is in the process of redeeming/selling this REC quantum.

For surplus RPO approved for FY 2018-19, Tata Power-D has requested the Hon'ble Commission to certify the excess Non-Solar purchase of 4,322 MWh for issuance of REC's as per the REC (Third Amendment) Regulations, 2014. Tata Power-D will follow the process as per the REC (Third Amendment) Regulations, 2014 and will utilize these RECs in FY 2019-20 or in future years as required.

Mini/Micro Hydro RPO

In line with the directives of the Hon'ble Commission, Tata Power-D has taken significant efforts to procure energy from Mini/Micro Hydro projects, which have been elaborated further below.

a) Tata Power-D had floated a tender on 25th October 2017 (Annexure 2) for procurement of Mini/Micro Hydro power for which it has received no responses.

BEFORE THE MAHARASHTRA ELECTRICITY REGULATORY COMMISSION
WORLD TRADE CENTRE, CENTRE NO.1, 13th FLOOR,
CUFFE PARADE, MUMBAI 400005

FILING No.

CASE NO.

IN THE MATTER OF:

Verification and Compliance of Renewable Purchase Obligation targets of Tata Power-Distribution for
FY 2017-18, as specified under RPO Regulations, 2016

AND IN THE MATTER OF:

The Tata Power Company Limited

.....Petitioner

AFFIDAVIT ON BEHALF OF THE PETITIONER/THE TATA POWER COMPANY LTD

I, Mr. Bhaskar Sarkar, son of Mr. Arup Kumar Sarkar, aged 53 years, having my office at Carnac
Receiving Station, Corporate Centre A, 34 Sant Tukaram Road, Carnac Bunder, Mumbai - 400 009 do
hereby swear and say as follows:

1. I am the Chief - Regulatory of The Tata Power Company Limited (hereinafter referred to as "Tata
Power"), the Petitioner in the above matter and I am duly authorised by the Petitioner to make
this Affidavit.
2. I am filing this Affidavit on behalf of The Tata Power Company Limited.

Ms. ROSHAN M. MASTER
NOTARY, GREATER BOMBAY
2403, ORCHID TOWER A
BELLASIS ROAD,
MUMBAI - 400 008.



3. I say that the present petition, now shown to me is based on the records of the Petitioner and information received from the concerned officers of the Petitioner and I believe the same to be true and correct.
4. I say that there are no proceedings pending in any court of law/tribunal or arbitrator or any other authority, wherein the Petitioners are a party and where issues arising and / or reliefs sought are identical to the issues arising in the matter pending before the Commission.



DEPONENT

VERIFICATION

Sworn at Mumbai on this 15th day of November, 2018 that the contents of the above Affidavit are true to my knowledge, no part of it is false and nothing material has been concealed therefrom.

Before me

R M Master

**Ms. ROSHAN M. MASTER
NOTARY, GREATER BOMBAY
2403, ORCHID TOWER A
BELLASIS ROAD,
MUMBAI - 400 006,
Reg. No. 404**

*S. no. 10 A /
15-11-2018*
**Commission Expires
on 30.11.2021**

Place: Mumbai



DEPONENT



