

## RPO

### A) Frequently asked questions:

#### 1) What is Renewable Purchase Obligation?

Ans- Renewable Purchase Obligation (RPO) is the obligation mandated by the Maharashtra Electricity Regulatory Commission (MERC) under the Act, to purchase minimum level of renewable energy out of the total consumption by the Obligated Entity.

#### 2) Who are the obligated entities?

Ans - a) All Distribution Licensees.

b) Captive Users -Any person who owns a grid-connected Captive Generating Plant based on conventional fossil fuel with installed capacity of 5 MW and above, or such other capacity as may be stipulated by the State Commission from time to time, and consumes electricity generated from such Plant for his own use shall be subject to RPO to the extent of a percentage of his consumption met through such fossil fuel-based captive source;

c) Open access consumers - Any person having a Contract Demand of not less than 5 MVA and who consumes electricity procured from conventional fossil fuel based generation through Open Access shall be subject to RPO to the extent of a percentage of his consumption met through such fossil fuel-based Open Access source: in the State of Maharashtra.

#### 3) What are the RPO Targets?

Ans -

Year	Minimum Quantum of purchase (in %) from renewable energy sources (in terms of energy equivalent in kWh)		
	Solar	Non-Solar (Other RE)	Total
2016-17	1.00%	10.00%	11.00%
2017-18	2.00%	10.50%	12.50%
2018-19	2.75%	11.00%	13.75%
2019-20	3.50%	11.50%	15.00%

Note:- Provided that each Distribution Licensee shall meet 0.2% per year of its Non-solar (other RE) RPO target percentage for the period from FY 2016- 17 to FY 2019-20 by way of purchase from Mini Hydro or Micro Hydro Power Projects;

Explanation: The Non-Solar RPO target percentage is inclusive of the 0.2 % target for purchase from Mini and Micro Hydro Power Projects.

Provided that, in case a Distribution Licensee demonstrates that it is unable to meet the target of 0.2% per year for procurement of power from Mini Hydro or Micro Hydro Projects despite its best efforts, the Commission shall allow it to be met by way of purchase of Non-Solar RECs;

Provided further that any variation in the fulfilment of RPO targets by the Obligated Entity within a band of +/- 5% of the applicable RPO target (in terms of Energy Units or MWh) for the respective years shall be allowed under exceptional circumstances subject to detailed scrutiny;

Provided further that a Distribution Licensee with peak demand of 5 MW and above but less than 10 MW, a Captive User of a Captive Generating Plant with installed capacity of 5 MW and above but less than 10 MW and Open Access Consumers with Contract Demand of 5 MVA and above but less than 10 MVA, shall be required to meet only their composite RPO target set out in column (c) of the Table above annually;

Provided also that each Distribution Licensee shall include its plan for procurement of power from RE sources in its long-term power procurement plan such as would meet the RPO target specified above.

#### 4) By which way RPO can be fulfilled by obligated entities?

Ans - Every Obligated Entity may meet its RPO target by way of (i) Own generation or procurement of power from RE developer or (ii) Purchase from other licensee or (iii) Purchase of renewable energy certificate or (iv) Combination of any of the above options.

#### 5) Who are exempted from RPO?

Ans: - Below details are furnished as exemption for various categories.

Category Type	Proof required
For Off-Grid CPP	Certification from concerned Distribution Licensee / Transmission Licensee (as per case may be)
For CPP in case of Standby (or Emergency Back-up) Captive Generating Plant facilities.	Certification from concerned Distribution Licensee / Electrical Inspector, PWD, GoM.
For renewable based CPP/ OA consumers	Certification from MEDA.
In case of OA consumers	Certification from concerned Distribution Licensee / Transmission Licensee (Valid OA permission)
In case of CPP generating plant is Shut down/ Un-operational/ Company is Lock down.	Certification from Electrical Inspector, PWD, GoM.

#### 6) What is Regulatory Charges?

Ans:- If the Obligated Entity fails to comply with the RPO target as provided in these Regulations during any year and fails to purchase the required quantum of RECs, the State Commission may direct the Obligated Entity to deposit into a separate fund, to be created and maintained by such Obligated Entity, such amount as the Commission may determine on the basis of the shortfall in units of RPO, RPO Regulatory Charges and the Forbearance Price decided by the Central Commission; separately in respect of solar and non-solar RPO:

#### 7) What is the RPO fulfillment of Obligated entities

Ans: Please refer **Achievement Chapter B** for RPO fulfillment of obligated entities.