

Renewable Purchase obligation (RPO)

Overview -

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.

As per MERC (Renewable Purchase Obligation, Its Compliance and Implementation of REC Framework) Regulations, 2016 dated 30th March 2016 "Obligated Entity" means the distribution licensees, consumers owning captive power plants (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;), and 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. Captive user(s) consuming power from grid connected fossil fuel based cogeneration plants are **not** exempted from applicability of RPO.

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.

Obligation to purchase electricity generation based on solar as RE source can be fulfilled by purchase of solar certificates only. Obligation to purchase electricity generation based on non-solar as RE source can be fulfilled by purchase of non-solar certificates only. Procurement of REC's issued for RE generation outside the State of Maharashtra as well as REC's issued for renewable energy generation within the State of Maharashtra shall be considered as an eligible instrument for the purpose of RPO compliance. Procurement of REC's issued for RE generation outside the State of Maharashtra as well as REC's issued for renewable energy generation within the State of Maharashtra shall be considered as an eligible instrument for the purpose of RPO compliance.