

MODEL PROCEDURE / GUIDELINES FOR ACCREDITATION OF RENEWABLE ENERGY GENERATION PROJECT FOR REC MECHANISM BY STATE AGENCY

1. OBJECTIVE

- 1.1. This procedure shall provide guidance to the entities to implement Renewable Energy Certificate mechanism as envisaged under Central Electricity Regulatory Commission (Terms and Conditions for recognition and issuance of Renewable Energy Certificate for Renewable Energy Generation) Regulations, 2010 notified by CERC, (hereinafter referred to as “the CERC REC Regulations”). This procedure shall be called ‘**Model Guidelines for Accreditation of a Renewable Energy Generation Project for REC Mechanism**’.
- 1.2. This procedure is prepared in order to implement the CERC REC Regulations exercising its powers conferred under sub-section (1) of Section 178 and Section 66 read with clause (y) of sub-section (2) of Section 178 of the Electricity Act, 2003 and all other powers enabling it in this behalf, to facilitate development of market in power from renewable energy sources by issuance of ‘**Renewable Energy Certificates (REC)**’.
- 1.3. Words and expressions used in these Procedures and not defined herein but defined in the Act, the CERC REC Regulations or any other Regulations issued by the Central Commission shall have the same meaning assigned to them respectively in the Act, the CERC REC Regulations or such other Regulations issued by the Commission.

2. APPLICABILITY AND SCOPE

- 2.1. This procedure shall be applicable to all the generating companies engaged in generation of electricity from renewable energy sources such as small hydro, wind, solar including its integration with combined cycle, biomass, bio fuel cogeneration, urban or municipal waste and such other sources as recognised or approved by Ministry of New and Renewable Energy for their

Renewable Energy Power Projects subject to fulfilment of eligibility conditions for participating in REC mechanism on or after April 1, 2010 in accordance with the provisions stipulated under the CERC REC Regulations.

- 2.2. The State Agencies, as may be designated by the State Commission to act as agency for accreditation and recommending the renewable energy projects for registration, shall follow this procedure for accreditation of Renewable Energy Generating Company for their Renewable Energy Power Projects subject to fulfilment of eligibility conditions for participating in REC mechanism on or after April 1, 2010 in accordance with conditions outlined under the CERC REC Regulations.
- 2.3. The State Agency shall undertake the accreditation of any renewable energy generation project of the generating company not earlier than six months prior to the proposed date of commissioning of such RE generation project. For existing eligible RE Generation Project not tied up in long term power purchase agreement, the State Agency shall undertake the accreditation of the RE Generation Project as and when the RE Generating Company makes an application for accreditation.
- 2.4. The permission granted by the State Agency in the form of accreditation certificate to the Generating Company for the accredited RE Generation Project shall be valid for a period of five years from the date of accreditation certificate unless otherwise revoked prior to such validity period in pursuance of conditions for revocation as outlined under this Procedure.

3. STEP-WISE DESCRIPTION OF THE PROCEDURE

The basic procedure for accreditation of the RE generation project shall cover following steps:

- 3.1. **STEP 1:** An application for availing accreditation shall be made by the generating company to the host State Agency, as defined under Clause 2(1) (n) of the CERC REC Regulations. The application for accreditation shall contain (i) owners details, (ii) operator details (in case the owner and operator are different legal entities), (iii) Generating Station details, (iv) Connectivity details with concerned licensee (STU/DISCOM), (v) metering details, (vi)

Statutory Clearance details, (vii) Details of power off-take arrangement as per the CERC REC Regulations and (viii) any other relevant information as per the enclosed format (**FORMAT- 1.1** : Application for Accreditation of RE Generation Project). In case, the Applicant has multiple RE generation projects then, separate Applications will have to be submitted by the Applicant for each RE generation project. Accreditation of each RE generation project shall be carried out separately. The minimum capacity of each RE generation project shall be 250 kW and maximum capacity per project application shall be as per requirements of Connectivity standards for Grid Connectivity at particular injection voltage/grid interface point as specified by State Transmission Utility or concerned Distribution Licensee, as the case may be. The Application made for accreditation of RE generation project shall be accompanied by a non-refundable processing fee and accreditation charges (one time and annual, if any) as determined by the Appropriate State Electricity Regulatory Commission from time to time.

3.2. STEP 2: The State Agency shall assign a unique acknowledgement number to the Applicant for each application for accreditation of its RE generation project, for any future correspondence.

3.3. STEP 3: After receipt of application for accreditation, the State Agency shall conduct a preliminary scrutiny to ensure Application Form is complete in all respect along with necessary documents and applicable processing fees and accreditation charges. The State Agency shall undertake preliminary scrutiny of the Application within 2 working days from date of receipt of such Application.

3.4. STEP 4: After conducting the preliminary scrutiny, the State Agency shall intimate in writing to the Applicant for submission of any further information, if necessary, to further consider the application for accreditation or reject application. The reasons for rejecting the application for accreditation shall be recorded and intimated to Applicant in writing within 2 working days from date of receipt of the application by State Agency.

3.5. STEP 5: While considering any application for accreditation of RE generation project, the State Agency shall verify and ascertain availability of following information:

- a) Confirmation of 'Availability of Land' in possession for setting up generating station
- b) Power Evacuation Arrangement permission letter from the host State Transmission Utility or the concerned Distribution Licensee, as the case may be
- c) Confirmation of Metering Arrangement and Metering Location
- d) Date of Commissioning of RE project for existing eligible RE Project or proposed date of commissioning for new RE for accreditation
- e) Copy of Off-take/Power Purchase Agreement or Undertaking
- f) Proposed Model and Make for critical equipment (say, WTG, STG, PV Module) for the RE Project. Confirmation of compliance of critical equipment with relevant applicable IEC or CEA Standards
- g) Undertaking for compliance with the usage of fossil fuel criteria as specified by MNRE
- h) Details of application processing fees/accreditation charges

3.6. STEP 6: The State Agency, after duly inspecting/verifying conditions elaborated in Step 5, shall grant 'Certificate for Accreditation' to the concerned Applicant for the proposed RE Generation project and assign a specific project code number to that effect which shall be used by the such Applicant (Eligible Entities) for all future correspondence with the State Agency. The process of accreditation shall normally be completed within 30 days from date of receipt of complete information by State Agency. In case accreditation is not granted at this stage, the reasons for rejecting the application for accreditation shall be recorded and intimated to Applicant in writing.

3.7. STEP 7: If accreditation is granted, the State Agency shall also intimate accreditation of particular RE generation project to the following entities,

- a. The Central Agency, as defined under Clause 2(1) (b)
- b. The host State Load Despatch Center
- c. The distribution company in whose area the proposed RE generation project would be located.

4. FUNCTIONS, ROLES AND RESPONSIBILITIES OF ENTITIES INVOLVED

The roles and responsibilities of the entities involved is elaborated in the following paragraphs,

4.1. Generating Company (Eligible Entity)

- a. The Generating Company shall apply for the accreditation of its RE generation project facility as per **FORMAT-1.1: "Application for Accreditation of RE Generation Project for REC Mechanism"** enclosed to this Procedure.
- b. The Generating Company shall coordinate with the State Agency and shall be responsible for submitting the information in a timely manner so as to enable State Agency to comply with requirements outlined under this Procedure for Accreditation.
- c. Pay one time non-refundable application processing fees and annual charges towards Accreditation as determined by the Appropriate State Electricity Regulatory Commission from time to time.
- d. Submit a declaration or undertaking that
 - i. It does not have and shall not have any power purchase agreement for the capacity related to such generation to sell electricity at preferential tariff determined by the Appropriate Commission. and,
 - ii. It shall immediately notify the State Agency if any power purchase agreement for sale of electricity at preferential tariff, as determined by the Appropriate Commission, is executed.
 - iii. It shall sell the electricity generated either to the distribution licensee of the area in which the eligible entity is located at a price not exceeding the pooled cost of power purchase of such distribution licensee or to any other licensee or to an open access consumer at a mutually agreed price, or through power exchange.
- e. Install special energy meters for the purpose of metering of energy injection into the electricity grid.

- f. Comply with the directions, duties and obligations specified by the Central Electricity Regulatory Commission and Appropriate State Electricity Regulatory Commission in this regard, from time to time.
- g. Apply for revalidation or extension of validity of existing accreditation at least three months in advance prior to expiry of existing Accreditation.

4.2. State Agency

- a. Comply with the directions issued by the State Electricity Regulatory Commission from time to time.
- b. Adopt the procedure contained herein for Generator Accreditation.
- c. To scrutinise and verify the documents and all other steps as may be necessary prior to the Accreditation of RE generation project. Prior to accreditation, the activities to be undertaken by State Agency shall include but not limited to following:
 - Verification of Application
 - ❖ Review of information submitted in the application by the generating company for its completeness and accuracy
 - ❖ Independent verification of the information submitted by the Applicant
 - Review of information available with regards to the similar renewable energy projects registered with the Central Agency, if necessary.
- d. Submit recommendation for registration or reasons of rejection
- e. Extension of validity of existing accreditation upon following due process.
- f. Revocation of accreditation, upon following due process for revocation.
- g. Intimate accreditation of generating company to the following,
 - Central Agency, (as defined under Clause 2(1) (b))
 - Concerned State Load Despatch Center
 - The distribution company in whose area the proposed RE generation project would be located.

5. INFORMATION REQUIREMENT - APPLICATION FORM & CONTENT

For the purpose of accreditation of its RE Generation project, the generating company shall furnish information to the State Agency in the format as elaborated in **FORM-1.1** comprising following details.

- a) Section-A: Owner Details
- b) Section-B: Operator Details
- c) Section-C: RE Generating Station details
- d) Section-D: Connectivity Details with Concerned Licensee (STU/DISCOM)
- e) Section-E: Metering Details
- f) Section-F: Statutory Clearance Details
- g) Section-G: General Details
- h) Section-H : Details of Fee & Charges
- i) Section-I: Declaration

6. REPORT: FORMAT FOR ACCREDITATION CERTIFICATE

The State Agency shall grant 'Certificate of Accreditation' to the Applicant fulfilling all requirements of accreditation in the format as elaborated in the **FORMAT-1.2**.

7. TIMELINES

- 7.1. The State Agency shall grant/undertake accreditation of those generating facilities which are proposed to be commissioned within period not exceeding 6 months from the date of application for accreditation made by the applicant.
- 7.2. Once received, the State Agency shall inform the applicant with regard to the incompleteness of the application within 2 working days.
- 7.3. The Applicant shall furnish the details as requested by the State Agency within 7 working days so as to enable State Agency to undertake the accreditation of the generating facility.
- 7.4. In case the applicant fails to furnish the information requested by the State Agency within the stipulated time frame, the State Agency shall abandon the accreditation and retain the processing fees.

7.5. The process of accreditation by the State Agency shall normally be completed within 30 working days from the date of receipt of complete information by State Agency.

7.6. The Eligible Entity shall apply for revalidation or extension of validity of existing accreditation at least three months in advance prior to expiry of existing Accreditation.

8. FEES AND CHARGES

The fees and charges towards processing of application and undertaking accreditation shall be as mentioned below,

- One time Application Processing Fees: Rs._____/ - per application shall be payable at the time of submitting application for accreditation to State Agency.
- One time Accreditation Charges: Rs._____/ - per application shall be payable to the State Agency upon grant of accreditation.
- Annual Charges for Accreditation: Rs._____/ - per annum per application shall be payable by April 10, for each fiscal year (or each anniversary date for date of initial accreditation).
- Accreditation Charges for Revalidation/extension of validity: Rs._____/ - per application shall be payable at the time of revalidation/extension of validity of existing accreditation at the end of five years.

All fees and charges shall be payable by way of Demand Draft drawn in favour of _____(Name of State Agency) payable at _____(location).

9. EVENT OF DEFAULT AND CONSEQUENCES THEREOF

Event of Default

Following events shall constitute event of default by Eligible Entity and shall lead to revocation of Accreditation granted by State Agency:

- 9.1. Non-payment or delay in payment of annual Accreditation charges by Eligible Entity beyond 15 days from due date of payment of such annual accreditation charges shall constitute event of default by that Eligible Entity.

- 9.2. Non-compliance of any of the terms/conditions/rules outlined under this Procedure by Eligible Entity.
- 9.3. Non-compliance of any of the directives issued by State Agency, so long as such directives are not inconsistent with any of the provisions of CERC REC Regulations or State RPO/REC Regulations and in accordance with the Functions and within the Powers outlined for State Agency, shall constitute an event of default by that Eligible Entity.

Consequences for Event of default:

- 9.4. Occurrence of any of the event of default by Eligible Entity shall result into revocation of Accreditation granted to such Eligible Entity for that RE Generation Project.
- 9.5. However, the State Agency shall provide adequate notice and chance to Eligible Entity to present its case before serving the Notice for Termination of Accreditation, which shall not be for period lower than 14 days.
- 9.6. In case Eligible Entity fails to address/rectify the default expressed by the State Agency in the Notice within stipulated time period of 14 days, the State Agency shall proceed with revocation of Accreditation granted to such Eligible Entity.
- 9.7. Upon revocation of accreditation, the State Agency shall inform the same to Central Agency, State Load Despatch Centre and concerned distribution licensee, within period of 7 days from date of such revocation.

10. POWERS TO REMOVE DIFFICULTIES

- 10.1. If any difficulty arises in giving effect to any provision of these Procedures or interpretation of the Procedures, the Central Agency may make such provisions or propose amendments, not inconsistent with the provisions of CERC REC Regulations, upon seeking due approval from Central Commission, as may appear to be necessary for removing the difficulty.

FORMAT- 1.1

APPLICATION FOR ACCREDITATION OF RE GENERATION PROJECT

Section A: Owner Details

Name of the Applicant	
Type of the Applicant <i>(Individual/HUF/Partnership/Ltd Co. /Pot. Ltd. Co. /Public Ltd. Co.)</i>	
Postal Address of the Applicant	
Town/Suburb	
State	
Postal Code	
Primary Contact Name¹ <i>(Name of Authorised Signatory)</i>	
Position	
Phone	
Fax	
Mobile	
E-mail Address	
Appointed Person's Detail <i>(In case Owner is Appointed Person)</i>	

Are Owner and Operator of the Generating Facility the same legal entity?

(If yes, go to Section C else complete Section B)

¹ *If the owner is proposed act as the 'Appointed Person' for the Generating facility, ensure that this is identical to the name in which Renewable Energy Certificates to be issued by the Central Agency.*

Section B: Operator Details

Name of the Applicant	
Type of the Applicant <i>(Individual/HUF/Partnership/Ltd Co. /Pot. Ltd. Co. /Public Ltd. Co.)</i>	
Postal Address of the Applicant	
Town/Suburb	
State	
Postal Code	
Primary Contact Name² <i>(Name of Authorised Signatory)</i>	
Position	
Phone	
Fax	
Mobile	
E-mail Address	
Appointed Person's Detail <i>(In case Operator is Appointed Person)</i>	

² If the operator is proposed to act as the 'Appointed Person' for the Generating facility, ensure that this is identical to the name in which Renewable Energy Certificates to be issued by the Central Agency.

Section C: RE Generating Station Details

Name of Power Station	
Physical Address of the RE Generating Station	
Town/Suburb	
State	
Postal Code	
Category of Land ³ (Govt. Land/Private Land)	
Land Lease ⁴ (Leased/Owned)	
Total Installed Capacity of RE Generating Station (in kW)	
Total Number of Units	
Which Renewable Energy Resources is/are utilised by the RE Generating Station	
Number of units for which Accreditation is sought	
Unit Number, Corresponding Capacity and Date of Commissioning (dd-mm-yyyy)	
Planned usage of Fossil Fuel ⁵ (Provide Detail Description of type and amount of fossil fuel usage planned)	
Connectivity Diagram ⁶	(Diagram Enclosed)
Proposed Gross Generation by units proposed for Accreditation (kWh)	

³ Enclose Necessary Documents

⁴ Enclose Certified Copy of the Registered Lease/Sale Deed

⁵ Demonstrate Compliance with the Eligibility Conditions as prescribed by MNRE/Competent Authority

⁶ Enclose Connectivity Diagram/Single Line Diagram of the Station clearly Identifying the units to be considered for Accreditation and showing the Metering Arrangement

Section D: Connectivity Details with Concerned Licensee (STU/DISCOM)

Name of the Concerned Licensee under whose jurisdiction the entity is located	
Address of the Concerned Licensee	
State	
Postal Code	
Interconnection of Power ⁷ Station with the network	S No. Line From _____ to _____ Voltage Level:

⁷ Enclose details of Power Evacuation Arrangement/ Licensee Permission Letter to Interconnect with the network

Section E: Metering Details

Whether metering complied with the standards issued by Central Electricity Authority / State Grid Code

Are the following metered separately

- 1) Gross Energy Generated
- 2) Auxiliary Consumption
- 3) Net Energy Injection to Grid

Describe the Meter Details⁸

Describe the Metering Points⁹

What is the voltage at which electricity is generated and how the voltage is stepped up or down before use

⁸ Enclose Meter Type, Manufacturer, Model, Serial Number, Class and Accuracy etc.

⁹ Describe the location of meters with single line diagram

Section F: Statutory Clearance Details

Statutory Clearances obtained by the RE Generating Station including Environmental Clearances¹⁰



¹⁰ *Attach the Copy of Clearances/Approvals*

Section G: General Details

Nature and Activities of the Applicant	
Furnish list of Directors/Partners of the Organisation	
Income Tax PAN Details of the Applicant	
Details of the Earlier RE Project setup by the Applicant	
Basic Documents of the Company ¹¹	
Net Worth of the Company <i>(Enclose Certified true copies of financial statements)</i>	
Estimated cost of the proposed project (in Rs Lakh)	

¹¹ Enclose Memorandum of Association & Articles of Association of a Company/ Certificate of Incorporation, in case of Pvt. Ltd. Company/Certificate of Incorporation & Certificate of Business Commencement, in case of Public Ltd. Company/ Appointment of Statutory Auditor

Section H: Details of Fee& Charges

Name of the Bank:

Bank Draft Number/ECS Reference Number:

Date of Transaction:

Details of Amount Paid:

Processing Fees: Rs.

Section I: Declaration

Declaration to be Signed by the M.D./CEO/Authorised Signatory of the Applicant

I/We certify that all information furnished above is/are true to the best of my/our knowledge and belief.

I/We shall abide by such terms and conditions that the Central Electricity Regulatory Commission or _____ (name of the State) Electricity Regulatory Commission may impose to participate in the Renewable Energy Certificate Mechanism from time to time.

I/We hereby also confirm that 'no' Power Purchase Agreement has been or shall be signed to sell electricity generated from the proposed renewable energy generating station at preferential tariff determined by the Appropriate Commission.

I/We hereby also confirm that the electricity generated from the proposed renewable energy generating station shall be sold either to the distribution licensee of the area in which the generating station is located at a price not exceeding the pooled cost of power purchase of such distribution licensee or to any other licensee or to an open access consumer at a mutually agreed price, or through power exchange.

Signature of the applicant
(Seal of the Company)

Date:

Place:

FORMAT - 1.2

CERTIFICATE OF ACCREDITATION

This is to certify that _____ (*Name of the Applicant*) having/proposing to install it's RE generating station at _____ (*Proposed Location, Physical Address*) with Capacity ___MW, utilising _____ (*Name of the RE Resource*) has been granted Accreditation for its said RE Generating Station with effect from_____

This accreditation is granted subject to fulfilling the Rules. Regulations and Procedures specified by the Central Agency from time to time.

The validity of this certificate is mandated through ongoing surveillance.

Issue Date

Expiration Date

Certificate Number

Authorised Signatory of the Accreditation Agency

(Name and Address of the State Agency)