



## Bihar Electricity Regulatory Commission

Vidyut Bhawan-II, J. L. Nehru Path, Patna 800021

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**SMP-08/2025**

### **In the matter of:**

Suo-Motu Proceeding for making new Regulations, BERC (Renewable Purchase Obligation, its Compliance and REC Framework Implementation) Regulations, 2025

**And**

### **In the matter of:**

Bihar State Power Holding Company Ltd. (BSPHCL)  
South Bihar Power Distribution Company Ltd. (SBPDCL)  
North Bihar Power Distribution Company Ltd. (NBPDCCL)  
Bihar State Power Transmission Company Ltd. (BSPTCL)  
Bihar Industries Association (BIA)  
Bihar Chamber of Commerce and Industries (BCCI)

.....**Respondent**

### **Quorum:**

- |                 |   |                   |
|-----------------|---|-------------------|
| 1. Amir Subhani | - | Chairman          |
| 2. A.K Sinha    | - | Member(Technical) |
| 3. P.S Yadav    | - | Member(Legal)     |

### **Appearance:**

1. Shri Naresh Bhatt, Secretary 2. Shri Avijeet Lala, Advocate 3. Shri Aditya Pratap Singh, Advocate	Bihar Sugar Mills Association
4. Shri Kumar Pushpraj, OSD	BCCI
5. Shri Sanjay Guenka, Former Vice President	BIA
6. Shri Surinder Kumar, PMU 7. Shri Satish Kumar, EEE	BREDA
8. Shri Ravi Singh, G.M 9. Shri Vinod KP Singh, Executive Vice President 10. Shri Pankaj Singh, CEO	Magadh Sugar Energy Ltd.
11. Shri Suryakant Pati	Dalmia Cement Bharat Ltd.
12. Shri Purushottam Prasad, CE(Comml.) 13. Shri Irshad Akhtar, ESE (Comml.) 14. Smt. Julie Kumari, AEE (Comml.)	SBPDCL
15. Shri Abhijeet Kumar, CE(Comml.)	NBPDCCL

16. Shri Jayant Kr. Dubey, ESE(Comml.) 17. Smt. Manju Kumari, AEE (Comml.)	
18. Shri Santosh Anand, (EEE/PMC) 19. Md. Kaisharjamal, (AEE/PMC) 20. Shri Amit Kumar, AEE(PMC)	BSPHCL

## **ORDER**

**Date: 18.7.2025**

### **1. Brief of the Case:**

- 1.1 Ministry of Power (MoP), Government of India (GoI) in exercise of the powers conferred by the Energy Conservation Act, 2001 (read with amendments) in consultation with the Bureau of Energy Efficiency, vide notification S.O. 4617(E) dated 20th October 2023 has amended provisions mentioned in its order no. 09/13/2021-RCM dated 22.7.2022 and subsequent corrigendum dt. 19.9.2022 incorporating trajectory for Distributed renewable energy along with Wind renewable energy, Hydro renewable energy and Other Renewable energy for FY 2024-25 to FY 2029-30 outlining the minimum share of consumption of non-fossil sources (renewable energy) by designated consumers as energy or feedstock and different share of consumption for different types of non-fossil sources for different designated consumers as a percentage of their total share of energy consumption. Vide this notification, Ministry of power brought changes in Hydro Purchase Obligation (HPO) and introduced Distributed Renewable Energy (DRE) compliance etc. This necessitates to consolidate all previous amendments in BERC aforesaid RPO Regulations (including the 4th amendment issued in 2023) into a comprehensive regulatory framework.
- 1.2 Accordingly, Bihar Electricity Regulatory Commission (BERC) has framed draft BERC(Renewable Purchase Obligations, its Compliance & REC Framework Implementation) Regulations, 2025 under Sections 61, 66, 86(1)(e), and 181 of the Electricity Act, 2003 in view of provisions and trajectory prescribed by the Ministry of Power (MoP), Government of India (GoI), vide notification S.O. 4617(E) dated 20th October 2023 for public

consultation.

- 1.3 A Consultative Paper was also prepared and the Commission initiated a suo-motu proceeding by registering this as case no. SMP-8/2025. A public notice along with Consultative paper was uploaded on the website of the Commission inviting comments/objections/suggestions from Stakeholders and general public till 11.4.2025. A copy of draft regulations along with consultative paper and public notice was circulated among the stakeholders as well as to both the distribution companies of Bihar, namely, North Bihar Power Distribution Company Ltd. (NBPDC) and South Bihar Power Distribution Company Ltd. (SBPDC). The public notice was also published on 23.3.2025 in daily Newspapers namely Hindustan (Hindi) and Times of India (English) inviting comments/objections/suggestions from general public and stakeholders.

## **2 Hearings:**

Matter was heard initially on 16.4.25 and on subsequent dates by the Commission wherein written comments/suggestions/objections received from stakeholders and general public were argued by the concerned. The commission decided to conclude the hearing and reserved the order on 17.6.2025.

## **3 Commission's observations and views on the comments/suggestions/objections of stakeholders:**

Commission examined the comments/suggestions and submissions made in respect of the proposed Amendments. Commission's observations & views on the objections/suggestions received against proposed draft regulations are discussed below: -

**Comments on Draft Bihar Electricity Regulatory Commission (Renewable Purchase Obligation, its Compliance, and REC Framework Implementation) Regulations, 2025**

Discoms Comments (NBPDCCL & SBPDCL)					
	Draft Regulation	Proposed Draft Regulation	Suggestion from Stakeholders	Comments of Stakeholder	Commission's view
1.	Definitions		<p>Add definition of Distributed Renewable Energy Projects</p> <p><b><i>Distributed Renewable Energy projects means all the renewable energy projects that are less 10 MW in size and shall also include solar installation under all configurations (net metering, gross metering, virtual net metering, behind the meter installation or any configuration as defined by the Commission.</i></b></p>	<p>The Distribution Licensee requests the commission to explicitly define Distributed Renewable Energy Sources within the Regulation to eliminate the ambiguity found in Para 4.1(C). Specifically, clarity is required regarding which renewable energy resources are eligible for inclusion in Distributed Renewable projects. Para 4.1(C) indicates that all configurations of solar installations qualify to meet distributed renewable energy requirements. These solar installations, along with other renewable energy projects with installed capacities of less than 10 MW, are stipulated as the sole sources of energy for this purpose. Currently, DISCOMs procure power from Bagasse, Solar, and Hydro projects, each with installed capacities below 10 MW. However, including all renewable energy projects under 10 MW in Distributed Renewable Energy projects may adversely affect the fulfillment of DISCOM's Other Renewable Purchase Obligation (RPO) targets.</p>	<p>Considering the request of Discoms, Commission decides to add the definition of Distributed Renewable Energy as defined in the draft model Regulations for Grid Interactive Distributed Renewable Energy Sources of FOR by way of inserting a new clause in definition section of the Regulations after clause 2.1(f) as 2.1(g) as under:-</p> <p><b><i>“Distributed Renewable Energy means the electricity fed into the electric system at a voltage level of below 33 KV using rooftop solar PV system [or such other forms of renewable sources as may be approved by the Commission from time to time or as recognized by the Ministry of New and Renewable Energy, Government of India]”</i></b></p> <p>The numbering of all succeeding clauses of Regulation 2 shall be corrected accordingly.</p>

2.	2.1 (h)	<p>"Green energy" means the electrical energy from renewable sources of energy including hydro and storage (if the storage uses renewable energy) or any other technology as may be notified by the Government of India from time to time and shall also include any mechanism that utilizes green energy to replace fossil fuels including production of green hydrogen or green ammonia.</p>	<p>It is requested to Hon'ble Commission that since Bihar has its own green energy open access regulation so for the clarity definition of "Green Energy" should be in line with the same which is reproduced below:</p> <p><b><i>"Green Energy" means the electrical energy from renewable sources of energy as determined by the Central Government as per the provision of Clause G of sub-rule (2) of rule 4 of Electricity (Promoting Renewable Energy Through Green Energy Open Access), Rules 2022;</i></b></p>	<p>It is requested to Hon'ble Commission that definition of "Green Energy" should be in line with definition provided in "Green Energy Open Access" Regulation 2024</p>	<p>Considering the request of Discoms, Commission decides to align the definition of Green Energy with that defined under Rule 2(1)(d) of the Electricity(Promotion of Renewable Energy through Green Energy Open Access)Rules, 2022, dated 6.6.2022 of the MoP.</p> <p>Accordingly, Clause 2.1(h) of the draft regulations stands modified to the following extent: -</p> <p><b><i>2.1(h)"Green Energy" means the electrical energy from renewable sources of energy including hydro and storage (if the storage uses renewable energy) or any other technology as may be notified by the Government of India from time to time and shall also include any mechanism that utilises green energy to replace fossil fuels including production of green hydrogen or green ammonia as per provision of clause G of sub-rule (2) of rule 4 of Electricity (Promoting Renewable Energy Through Green Energy Open Access), Rules 2022."</i></b></p> <p>The numbering of this clause shall be modified as mentioned under serial (1) above.</p>

3.	2.1 (n)	'Quantum of Purchase' means percentage share of total purchase of electricity from renewable energy sources as specified in these Regulations. The quantum would be the sum of all direct purchases from generating stations based on renewable energy sources and purchase from any other licensee, which would arise from renewable energy sources;	'Quantum of Purchase' means percentage share of total purchase of electricity from renewable energy sources as specified in these Regulations. <b>The quantum would be the sum of all direct purchases from generating stations based on renewable energy sources, purchase from any other licensee and Power purchased from exchange which would arise from renewable energy sources.</b>	The quantum of purchase shall include the purchase from exchange also which means purchase of RE power from exchange i.e. Green Day Ahead Market (GDAM), Green Term Ahead Market (GTAM) etc.	Commission accepted the concerns of Discoms and accordingly modify the clause 2.1 (n) as under:  <i>“Quantum of Purchase' means percentage share of total purchase of electricity from renewable energy sources as specified in these Regulations. The quantum would be the sum of all direct purchases from generating stations based on renewable energy sources, purchase from any other licensee and Power purchased from exchange which would arise from renewable energy sources.”</i>
4.	4.1 (a)	Wind renewable energy component shall be met only by energy produced from Wind Power Projects (WPPs) commissioned after 31st March 2024 and the wind energy consumed over and above 7% from WPPs	Since BERC has framed the current Draft Regulation in line with trajectory specified by the Ministry of Power notification dated 20 <sup>th</sup> October 2023. Therefore, we request the Hon'ble Commission to please modify the current regulation as proposed below:	In order to align the current Draft Regulation with the Ministry of Power notification dated 20 <sup>th</sup> October 2023, we request Hon'ble Commission to modify the current regulation and do accept the following justifications.  Till FY 2021–22, the Renewable Purchase Obligation (RPO) was categorized into two segments: Non-Solar and Solar. The RPO target for FY 2021–22 was set at 9.00% for non-Solar (including Wind and other RE technologies) and 8% for Solar. However, with the 4th Amendment to the RPO	Commission accepts the suggestion of Discoms and accordingly modifies the clause 4.1 (a) as under:  <i>“The wind renewable energy component shall be met by energy produced from Wind Power Projects (WPPs) commissioned after the 31st of March 2024.</i>  <i>Provided that any shortfall in achievement of 'Wind RPO' in a particular year may be met with hydro renewable energy which is in excess of</i>

		commissioned till 31st March 2024;	<p><i>The wind renewable energy component shall be met by energy produced from Wind Power Projects (WPPs) commissioned after the 31st of March 2024.</i></p> <p><i>Provided that any shortfall in achievement of 'Wind RPO' in a particular year can be met with excess energy consumed from 'Hydro Power Plants, 'DRE' &amp; 'Other RPO' which is in excess of 'HPO' and/or 'DRE' and/or 'Other RPO' Obligation' for that year or partly from the same and vice versa.</i></p>	<p>framework, the targets were revised into three distinct categories:</p> <ul style="list-style-type: none"> <li>• Wind RPO: 1.60%</li> <li>• Hydro Power Obligation (HPO): 0.66%</li> <li>• Other RPO: 24.81%.</li> </ul> <p>This amendment was notified on <b>June 27, 2023.</b></p> <p>Considering the substantial proportion of Non-Solar RPO, the DISCOM had entered into long-term Power Purchase Agreements (PPAs) with various wind projects, totaling <b>689.20 MW</b> of capacity, all commissioned before <b>March 31, 2024.</b> With the reduction in Wind RPO targets, a significant surplus will remain unutilized.</p> <p>Meeting the HPO targets, however, poses considerable challenges, as these rely solely on Large Hydro Plants (LHPs) commissioned after <b>March 31, 2024.</b> The long gestation periods for such projects (typically 5–8 years) restrict their immediate contributions. Additionally, Bihar's limited hydro potential increases dependency on central government allocations, which have been modest in recent years. Over the past four financial years, a cumulative <b>718.95 MW of Hydro Power</b> and <b>216.44 MW of Small Hydro Power</b> have been added</p>	<p><i>that energy component for that year and vice-versa”.</i></p>
5.	4.1 (b)		<p><i>Provided that any shortfall in achievement of 'HPO' in a particular year can be met with excess energy consumed from 'Wind Renewable Energy', 'DRE' &amp; 'Other RPO' which is in excess of 'WPO' and/or 'DRE' and/or 'Other RPO' Obligation' for that year or partly from the same and vice versa.</i></p>		<p>Proposed Regulation is in line with the MoP notification dated 20.10.2023, hence Discoms proposal is not accepted.</p>

6.	4.1 (c)	The distributed renewable energy component shall be met only from the energy generated from renewable energy projects that are less than 10 MW in size and shall include solar installations under all configurations (net metering, gross metering, virtual net metering, group net metering, behind the meter installations and any other configuration) notified by the Central Government.	<p>The distributed renewable energy component shall be met only from the energy generated from <b><i>Distributed Renewable Energy projects.</i></b></p> <p><b><i>Provided that any shortfall in achievement of 'DRE' in a particular year can be met with excess energy consumed from 'Wind Renewable Energy', 'HPO' &amp; 'Other RPO' which is in excess of 'WPO' and/or 'HPO' and/or 'Other RPO' Obligation' for that year or partly from the same and vice versa.</i></b></p>	<p>nationwide, reflecting the constrained availability of this resource.</p> <p>The renewable energy sector in Bihar is still in its early stages and faces distinct challenges due to geographical and infrastructural constraints. The predominantly flat terrain limits the potential for wind and hydro power, while solar energy development, despite its potential, is hampered by limited land availability. Furthermore, the predominance of domestic consumers, especially under the "Kutir Jyoti" scheme, affects the feasibility of rooftop solar projects. Consequently, Bihar remains heavily dependent on Central sector allocations and Power Purchase Agreements (PPAs) with Independent Power Producers (IPPs) to fulfill its Renewable Purchase Obligation (RPO) targets. Given these hurdles, a more tailored approach is essential.</p> <p>In light of the challenges highlighted, we respectfully urge the Commission to balance the RPO targets across renewable energy technologies, allowing surplus contributions from one category to offset deficits in rest of the categories. This approach will enhance compliance feasibility while maximizing the utilization of renewable energy resources.</p>	<p>Proposed Regulation is in line with the MoP notification dated 20.10.2023, hence Discoms proposal is not accepted.</p>
7.	4.1 (d)	Other RPO may be met by energy produced from any renewable energy power project other than specified in (a), (b) and (c) above and shall comprise energy	Other RPO may be met by energy produced from any renewable energy power project <b>including power purchased from exchanges</b> other than specified in (a), (b) and (c) above and shall comprise energy from all WPPs and Hydro Power		<p>Commission partially accepts the suggestion of Discoms and accordingly decides to modify the clause 4.1 (d) as under:</p> <p><b><i>"Other RPO may be met by energy produced from any renewable energy power project including power purchased from exchanges other than specified in (a), (b) and (c) above</i></b></p>



		<p>from all WPPs and Hydro Power Projects [including Pump Storage Projects (PSPs) and Small Hydro Projects (SHPs)], including free power, commissioned before 1<sup>st</sup> April, 2025.</p> <p>Further, in case of 'Other RPO', any shortfall remaining in achievement of 'Other RPO' category in a particular year can be met with either excess energy consumed from wind power projects, commissioned after 31<sup>st</sup> March 2024 beyond 'Wind RPO' for that year or with, excess energy consumed from eligible Hydro Power Projects</p>	<p>Projects [including Pump Storage Projects (PSPs) and Small Hydro Projects (SHPs)], including free power, commissioned before 1st April, 2025.</p> <p><del>Further, in case of 'Other RPO', any shortfall remaining in achievement of 'Other RPO' category in a particular year can be met with either excess energy consumed from wind power projects, commissioned after 31st March 2024 beyond 'Wind RPO' for that year or with, excess energy consumed from eligible Hydro Power Projects [including Pump Storage Projects (PSPs) and Small Hydro Projects (SHPs)], commissioned after 31st March 2024 beyond 'HPO' for that year or partly from both.</del></p> <p><b><i>Provided that any shortfall in achievement of 'Other RPO' in a particular year can be met with excess energy consumed from 'Wind</i></b></p>	<p><i>and shall comprise energy from all WPPs and Hydro Power Projects [including Pump Storage Projects (PSPs) and Small Hydro Projects (SHPs)], including free power, commissioned before 1st April, 2024”</i></p> <p>As regards suggestion to replace the second paragraph of the Regulation 4.1 (d) with a proviso, Commission does not accept this suggestion, as it is not as per extant rules.</p>
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		[including Pump Storage Projects (PSPs) and Small Hydro Projects (SHPs)], commissioned after 31st March 2024 beyond 'HPO' for that year or partly from both.	<b><i>Renewable Energy', 'HPO' &amp; 'DRE' which is in excess of 'WPO' and/or 'HPO' and/or 'DRE' Obligation' for that year or partly from the same and vice versa.</i></b>		
8.	4.1 (d) First Proviso	Provided that any shortfall in achievement of 'Wind RPO' in a particular year can be met with excess energy consumed from Hydro Power Plants, which is in excess of 'HPO' for that year and vice versa.	<i>Already clarified in Point no 4.1(a) , 4.1(b), 4.1(c) &amp; 4.1 (d)</i>		As discussed above under sl.no. 7
9.	5.1	Provided that, in the event of an obligated entity seeking to fulfil its RPO by purchase of Certificates, the obligation to purchase electricity from various Renewable Energy Sources as stipulated in Clause		We respectfully request that the Honorable Commission consider establishing a distinct regulation concerning the treatment of Renewable Energy Certificates (RECs) specifically for the state of Bihar. When a Distribution Licensee in Bihar has surplus renewable energy power and wishes to sell the RECs to other states or adjust to itself, there should be a dedicated mechanism in place to facilitate such transactions. We hereby submit that, DISCOM has to finalize its audited account till 30th	As regards suggestions to have a dedicated mechanism in place to facilitate sell of REC to other states in lieu of surplus renewable energy available to Discoms, the Commission is of the view that this is already covered by the extant RE regulations of CERC as mentioned in the clause 5.1 of the draft regulations. Regarding the suggestion to allow purchase of REC against the shortfall of RPO trajectory of a year upto

		4.1 and 4.1 (a) may be fulfilled by purchase of appropriate Certificates as per Central Electricity Regulatory Commission (Terms and Conditions for Renewable Energy Certificates for Renewable Energy Generation) Regulations, 2022.		September every year as per RDSS guidelines. However, treatment of Renewable Energy Certificate is till June of every year, Therefore, it is requested to Hon'ble Commission to allow the DISCOMs to purchase RECs till finalization of Truing Up for the accurate calculation or else upto October of ensuring year.	October of the next year, we are not inclined to accept the suggestion since any purchase after 31 <sup>st</sup> March cannot be considered in the financial year concerned. In view of the above, we do not accept the suggestion.
10.	6.3	The State Agency shall submit half yearly status with respect to compliance of RPO by the obligated entities to the Commission within 15 <sup>th</sup> of the ensuing month after completion of 1 <sup>st</sup> and 2 <sup>nd</sup> half of financial year in the format as annexed as Annexure-I to these Regulations and may suggest appropriate action	The State Agency shall submit half yearly status with respect to compliance of RPO by the obligated entities to the Commission <b>within 15 45 days of the ensuing month</b> after completion of 1 <sup>st</sup> and 2 <sup>nd</sup> half of financial year in the format as annexed as Annexure-I to these Regulations and may suggest appropriate action to the Commission, if required for compliance of the renewable purchase obligation.	To provide sufficient time frame for completion of the half yearly report the DISCOM's request the Hon'ble Commission to increase the deadlines for these reports to 45 days after the end of each half of the financial year.	Keeping in view the suggestion of Discoms, the Commission decides to modify the draft regulation 6.3 as under:  <i>"The State Agency shall submit half yearly status with respect to compliance of RPO by the obligated entities to the Commission <b>within 30 days</b> after completion of 1<sup>st</sup> and 2<sup>nd</sup> half of financial year in the format as annexed as Annexure-I to these Regulations and may suggest appropriate action to the Commission, if required for compliance of the renewable purchase obligation"</i>

		to the Commission, if required for compliance of the renewable purchase obligation.			
11.	9.1	If an Obligated Entity does not fulfil the renewable purchase obligation as provided under these Regulations during any year and also does not purchase the required certificates, the 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 or as decided by the Central Commission or the	If an Obligated Entity does not fulfil the renewable purchase obligation as provided under these Regulations during any year and also does not purchase the required certificates, the 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 <del>RPO or as decided by the Central Commission</del> and the fund may be deposited in the "Bihar Renewable Energy Development fund".		In consideration of suggestion of Discoms and also provision of Clause 25 of Bihar Renewable Energy Policy 2025 the draft regulation 9.1 is modified to read as follows:  <i>“ If an Obligated Entity does not fulfil the renewable purchase obligation as provided under these Regulations during any year and also does not purchase the required certificates, the Commission may direct the Obligated Entity to deposit into a separate fund to be created under provisions of Bihar RE policy 2025, such amount as the Commission may determine on the basis of the shortfall in units of <b>RPO.</b>”</i>

		fund may be deposited in the "Bihar Renewable Energy Development fund".			
12.	9.2	Where any Obligated Entity fails to comply with the obligation to purchase the required percentage of power from renewable energy sources or the Renewable Energy Certificates, it shall also be liable for penalty as may be decided by the Commission under section 142 of the Act.		While the Electricity Act strives to advance renewable energy, the penalty clause as per Section 142 for non-compliance with Renewable Purchase Obligation (RPO) targets seems disproportionately severe for a state like Bihar. The renewable energy sector in Bihar is still in its formative stages and grapples with distinct geographical and infrastructural challenges. The state's predominantly flat terrain constrains the prospects for wind and hydro power, while solar energy development, despite its potential, is impeded by limited land availability. Moreover, the prevalence of domestic consumers, particularly under the "Kutir Jyoti" scheme, undermines the feasibility of rooftop solar projects. As a result, Bihar remains heavily dependent on Central sector allocations and Power Purchase Agreements (PPAs) with Independent Power Producers (IPPs) to meet its RPO targets. Considering these hurdles, a more nuanced approach is warranted. It is proposed that the Commission reconsider the penalty provision under Section 142 of the Electricity Act in cases of non-compliance with renewable energy targets.	The suggestion is not acceptable because it is not in the light of provisions of Electricity Act 2003.

13.	9.2 First Proviso	Provided that in case of genuine difficulty in complying with the renewable purchase obligation because of non-availability of power or any other reason beyond control of the obligated entity, the obligated entity concerned can approach the Commission for carry forward of compliance requirement to the next year.	Provided that in case of genuine difficulty in complying with the renewable purchase obligation because of non-availability of power or any other reason beyond control of the obligated entity, the obligated entity concerned can approach the Commission for carry forward of compliance requirement to the next year <b>or exemption from compliance requirement.</b>		Suggestion advanced is not accepted because if accepted, this will defeat the very purpose of obligation to purchase a pre-defined percentage of RE Power which is essentially required for meeting our global obligations.
14.	9.2 First Proviso	... ..However, credit for excess purchase from renewable energy sources would not be adjusted in the ensuring year.	However, credit for excess purchase from renewable energy sources <b>should be adjusted in the ensuring year</b>	<ul style="list-style-type: none"> <li>Discoms does the long-term Power Procurement Planning for both RE and Non-RE well before 3-5 years.</li> <li>These planning of RE procurement are based on the effective RPO obligation assigned by the Hon'ble Commission.</li> <li>So, any major change in these obligations leads to overall change in procurement planning. So in the exercise, it may happen that any one</li> </ul>	Commission is of the view that RPO trajectory specifies only minimum percentage of RE Power against the total requirement and therefore suggestion to carry forward any purchase beyond the minimum target is not acceptable.

				<p>of the sources say wind becomes surplus that its full adjustment might not be possible in the single year. Hence, carry forward may be allowed especially in case of Bihar which has the least per income and not allowing the surplus would lead to higher cost of electricity to the discoms as well as to the consumers.</p> <p>Further, Bihar is not a RE rich states and meeting such requirement from other state does not serve any good to the RE industry of Bihar.</p>		
Comments of Bihar State Power Holding Company Ltd. (BSPHCL)						
		Draft RPO Regulation BERC 2025	Existing RPO regulation, MoP 2023	Draft RCO 2025 by MoP	BSPHCL Views/Comments	Commission’s view
15.	Clause 4.1 a	Wind renewable energy component shall be met only by energy produced from Wind Power Projects (WPPs) commissioned after 31st March 2024 and the wind	The wind renewable energy component shall be met by energy produced from Wind Power Projects		•Pertaining to lesser wind generations getting commissioned recently, all the existing wind power contracts of Bihar DISCOMs are have been commissioned prior to 31st Mar’25. Non-Consideration of 7% Wind Power availability in WPO Compliance will result in significant shortfall in WPO compliance.	As discussed at sl.no. 4 above.

		energy consumed over and above 7% from WPPs commissioned till 31st March 2024;	(WPPs) commissioned after the 31st March, 2024.		<ul style="list-style-type: none"> <li>•Moreover, commissioning of any new Wind Power Project will require gestation period of minimum 2 years. In such scenario the prescribed Cut off period will result in huge shortfall for next 2 consecutive Fiscal years.</li> <li>•Commission is requested to kindly consider 100% Wind energy availability from the plants commissioned before 31st March 2024 for fulfilment of the WPO Compliance.</li> </ul>	
16.	Clause 4.1 d	Any shortfall in achievement of 'Wind RPO' in a particular year can be met with excess energy consumed from Hydro Power Plants, which is in excess of 'HPO' for that year and vice versa.	Any shortfall in achievement of 'Wind RPO' in a particular year can be met with excess energy consumed from Hydro Power Plants, which is in excess of 'HPO' for that year and vice versa.	a) Shortfall in Wind renewable energy consumption obligation in a given year may be offset by surplus consumption from Hydro renewable energy component and vice-versa b) Shortfalls in Wind renewable energy or Hydro renewable energy consumption obligations in a given year may be offset by surplus consumption from the Other renewable energy component, and vice-versa	Draft RCO regulation 2025 by MoP mandates for fulfilment of shortfall of WPO well as HPO from excess of other RPO category. Accordingly, Hon'ble BERC is requested to consider the following,	Considering the suggestion, Commission decides to insert the following sub-clause, in the draft regulation 4.1 (d).  <i>"Shortfalls in Wind renewable energy or Hydro renewable energy consumption obligations in a given year may be offset by surplus consumption from the Other renewable energy component, and vice-versa"</i>



				<p>vice-versa.</p> <p>(b) Shortfalls in Wind renewable energy or Hydro renewable energy consumption obligations in a given year may be offset by surplus consumption from the Other renewable energy component, and vice-versa</p>		
17.	Clause 4.1 d	In case of 'Other RPO', any shortfall remaining in achievement of 'Other RPO' category in a particular year can be met with either excess energy	In case of 'Other RPO', any shortfall remaining in achievement of 'Other RPO' category in a particular	Surplus from Distributed renewable energy component may also be used to meet Wind	<p>Draft RCO regulation 2025 by MoP mandates for fulfilment of shortfall of WPOs as well as HPO from excess of other RPO category. Accordingly Hon'ble BERC is requested to add under extra provision of clause 4.1 d as</p> <p><b>Provided also that Surplus from Distributed renewable energy component</b></p>	The proposed regulation is based on the MoP notification dated 20.10.2023. The Draft RCO regulation 2025 by MoP is not yet finalized, hence suggestion advanced is not accepted.

		consumed from wind power projects, commissioned after 31st March 2024 beyond 'Wind RPO' for that year or with, excess energy consumed from eligible Hydro Power Projects [including Pump Storage Projects (PSPs) and Small Hydro Projects (SHPs)], commissioned after 31st March 2024 beyond 'HPO' for that year or partly from both.	year can be met with either excess energy consumed from wind power projects, commissioned after 31st March 2024 beyond 'Wind RPO' for that year or with, excess energy consumed from eligible Hydro Power Projects [including Pump Storage Projects (PSPs) and Small Hydro Projects (SHPs)], commissioned after 31st March 2024	renewable energy or Hydro renewable energy or Other renewable energy consumption obligations .	<b>may also be used to meet Wind renewable energy or Hydro renewable energy or Other renewable energy consumption obligations</b>	
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			beyond 'HPO' for that year or partly from both.			
18.	Addition proposed in Clause 4.1 (d)	<b>No mention</b> for fulfilment of Wind and Hydro shortfall from excess of the Other RPO i.e. beyond the specified target.	Any excess energy consumption under Other renewable energy component in a particular year, may be utilised to meet the shortfall in achievement of stipulated Wind renewable energy or Hydro renewable energy consumption.		Hon'ble BERC is requested to kindly include the following submission under Clause 4.1 d as <b>Provided that any excess energy consumption under Other renewable energy component in a particular year, may be utilised to meet the shortfall in achievement of stipulated Wind renewable energy or Hydro renewable energy consumption.</b>	As discussed at sl.no. 16 above.
19.	Clause 4.1 b	<ul style="list-style-type: none"> <li>The hydro renewable energy component may also be</li> </ul>	The other renewable energy component may be met		Hon'ble BERC is requested to kindly include the following submission under Clause 4.1 b as, It is hereby requested that in accordance with the mentioned clauses of the draft RPO	The proposed regulation is in line with the MoP notification dated 20.10.2023, hence suggestion advanced is not accepted.

		<p>met from Hydro Power Projects located outside India as approved by the Central Government on a case-to-case basis.</p> <ul style="list-style-type: none"> <li>• Other RPO may be met by energy produced from any renewable energy power project other than specified in (a), (b) and (c) above and shall comprise energy from all WPPs and Hydro Power Projects [including Pump Storage Projects (PSPs) and Small Hydro Projects (SHPs)], including free power,</li> </ul>	<p>by energy produced from any renewable energy power project other than specified in Note 2, 3 and 4 and shall comprise energy from all WPPs and Hydro Power Projects [including Pump Storage Projects (PSPs) and Small Hydro Projects (SHPs)], including free power, commissioned before the 1st April, 2024.</p>	<p>regulation by BERC, The Hydro power availability from the plants located outside the country which are commissioned prior to 1<sup>st</sup> Apr 2025 shall be considered for fulfilment of HPO and the excess of HPO of the particular year shall be considered for fulfilment of shortfalls in WPO as well as other RPO category.</p>	
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		commissioned before 1st April, 2025.				
20.	Clause 5.1	Provided that, in the event of an obligated entity seeking to fulfil its RPO by purchase of Certificates, the obligation to purchase electricity from various Renewable Energy Sources as stipulated in Clause 4.1 and 4.1 (a) may be fulfilled by purchase of appropriate Certificates as per Central Electricity Regulatory Commission (Terms and Conditions for Renewable Energy Certificates for Renewable Energy Generation) Regulations, 2022.			<p>In light of CERC order dated 08th Oct'23 in Petition No. 375/MP/2022, the trading of REC on Power Exchange(s) is being done in the instrument type REC only. Accordingly Hon'ble BERC is requested to kindly consider the following,</p> <p>in the event of an obligated entity seeking to fulfil its RPO by purchase of Certificates, the obligation to purchase electricity from various Renewable Energy Sources as stipulated in Clause 4.1 and 4.1 (a) may be fulfilled by purchase of <del>appropriate Certificates</del> <b>Renewable Energy Certificate</b> as per Central Electricity Regulatory Commission (Terms and Conditions for Renewable Energy Certificates for Renewable Energy Generation) Regulations, 2022.</p>	As discussed at sl.no. 9 above.
21.	Clause 9.2	Provided that in case of genuine difficulty in complying with the			In case the carry forward of RPO surplus is not allowed, the surplus of RE will not be utilized. As a consequence, obligated entity	As discussed at sl. No. 14 above.

		renewable purchase obligation because of non-availability of power or any other reason beyond control of the obligated entity, the obligated entity concerned can approach the Commission for carry forward of compliance requirement to the next year. However, credit for excess purchase from renewable energy sources would not be adjusted in the ensuring year.			may have to procure short term RE Power or Purchase additional REC. Hon'ble Commission is hereby requested that the excess energy of any RPO category beyond the prescribed target of that particular year shall be considered for the next year.	
	Bihar Sugar Mill Association comments dated					
22.	Clause 4.2			<i>There is a well-established practice across state commissions to prioritize procurement from in-state renewable energy sources, in line with the goal of promoting local generation and minimizing transmission and distribution</i>	Commission accepted the suggestion and accordingly decided to insert new proviso in Regulation no. 4.2 of the draft regulations as under:  <i>“Provided that the obligated entity shall endeavor to source the</i>	

				<p>(T&amp;D) losses. Bihar Electricity Regulatory Commission's Renewable Purchase Obligation, its Compliance and REC Framework Implementation Regulations, 2010 ("BERC RPO Regulation of 2010") Regulation 4.2 explicitly states:</p> <p><i>"The Licensee shall generally source the mandatory percentage purchase from renewable sources within the State. If, however, they are not able to meet the purchase obligation from such sources located in the State, they shall have the option of purchasing the shortfall from outside the State. The energy generated from renewable sources in the State, which is used by the generator itself or sold to a third party under open access, shall be considered under the mandatory minimum percentage of power purchase."</i></p> <p><b>The draft RPO Regulation does not have above provision similar to principal Regulation</b></p> <p>To further elaborate on our concern regarding the disproportionate procurement from solar sources within the "Other RPO" category, Solar procurement is receiving a significantly</p>	<p><i>mandatory percentage purchase from renewable sources within the State on the basis of their Commercial viability. In case, they are not able to meet the purchase obligation from such sources located in the State, they shall have the option to purchase the shortfall from outside the State. The energy generated from renewable sources in the State which is used by generator itself or sold to third party under open access, the same will be considered under the mandatory minimum percentage of power purchase."</i></p>
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				<p>higher share, despite the underutilization of local, cost-effective bagasse-based cogeneration. Solar energy is being procured at a higher tariff than locally available bagasse power, leading to inefficiency and increased costs. Additionally, solar energy is being sourced from outside the State, causing transmission and distribution losses, even though in-state bagasse cogeneration remains untapped.</p>	
23.	Clause 4.2			<p><b><u>Excessive Reliance on Renewable Energy Certificates (“RECs”) in lieu of Actual RE Procurement (Regulation 4.2 of Draft RPO Regulations)</u></b></p> <p>It is submitted that Regulation 4.2 of the Draft RPO Regulations allows obligated entities to meet their RPO compliance through either direct procurement of RE or by purchasing RECs. However, instead of ensuring a balanced procurement strategy across various RE sources under the other RPO category, the DISCOMs are demonstrating a pattern of over-reliance on specific sources, thereby neglecting other viable</p>	<p>In those cases where obligated entities are unable to meet their RPOs through direct procurement of renewable energy, purchase the Renewable Energy Certificates (RECs) can be resorted to as it is, a market-based instrument. The REC mechanism allows obligated entities to meet their RPOs without incurring penalties and provides flexibility in fulfilling their renewable energy obligations. Therefore, this provision in the draft Regulation is retained.</p>



				<p>RE options, such as bagasse- based cogeneration.</p> <p>That rather diversifying their procurement within the other RPO category, the DISCOMs are heavily prioritizing solar energy as their primary mode of RPO compliance. In case of short falls within the other RPO category, instead of procuring from bagasse-based cogeneration or other eligible renewable sources, the DISCOMs are opting for two primary alternatives:</p> <ul style="list-style-type: none"> <li>a) Procuring surplus energy from wind sources to fulfill their other RPO category requirements.</li> <li>b) Buying RECs to compensate for the shortfall, rather than ensuring actual procurement of RE.</li> </ul>	
24.	Clause 6.3			<p><b><u>Strengthening the Monitoring and Reporting Mechanism by Shifting to Quarterly Reporting (Regulations 6.3 of Draft RPO Regulations)</u></b></p> <p>is submitted that a strong and frequent reporting framework is crucial to ensure effective RPO compliance and maintain transparency in RE procurement. The current half-yearly reporting mechanism under regulation 6.3 of the Draft RPO</p>	As decided at sl.no. 10 above.

				<p>Regulations may not provide timely insights for taking corrective measure in case of procurement shortfalls. Given the seasonality of RE generation, a more frequent reporting system is necessary to ensure that procurement remains consistent and aligned with generation availability throughout the year.</p> <p>Regulation 6.3 requires the State Nodal Agency i.e, Bihar Renewable Development Agency (BREDA) to submit a half-yearly status report on RPO compliance by obligated entities to the Commission. While the aforesaid provision establishes a monitoring framework, a half-yearly reporting timeline may lead to delayed detection of procurement gaps and potential non-compliance, ultimately affecting overall RPO fulfilment.</p>	
25.	Clause 9.1			<p><b><u>Absence of Defined Time Limit for Carry Forward of RPO Shortfalls (Regulation 9.1 of the Draft RPO Regulations)</u></b></p> <p>It is submitted that the absence of a specific time limit for carrying forward the RPO shortfall under regulation 9.1 of</p>	<p>Generally, the carry forward of RPO shortfall is not allowed by the Commission as a matter of policy in a routine manner. However, in case of genuine difficulty of the obligated entity towards purchase of required RE Power Commission considers the request to allow carry forward of shortfall after prudence check on case to case basis.</p>

				the draft RPO Regulations raises concerns about indefinite deferment of compliance obligations. If obligated entities, particularly DISCOMs, are allowed to carry forward their shortfall without a defined time frame, it may weaken the effectiveness of RPO enforcement and undermine the long-term RE procurement targets. This lack of a structured time limit can lead to a backlog of unmet obligations, creating uncertainty in RE markets and discouraging new investments in the sector.	
	<b>Comments of Magadh Sugar Energy</b>				
26.				<p><b><u>Review and Purge Year-Round Fixed Charges for Bagasse Based Cogeneration Plants</u></b></p> <p>Bagasse-based cogeneration plants operate only during the crushing season and remain non-operational in the off-season. Despite this inherently seasonal nature, these units are subjected to fixed charges throughout the year. The imposition of such year-round fixed charges is economically unsustainable, especially during months with no generation or revenue. This burden is further aggravated by the volatility in bagasse prices and high storage costs, severely impacting the financial viability of these plants and their</p>	The suggestion is not covered within the purview of this Draft Regulation and hence, not accepted.

				ability to make timely payments to farmers (Annadata). The situation is further strained by the requirement to maintain security deposits, which are significantly high and add to the financial pressure on these units.	
				<p><b><u>Establish Uniform Tariffs for Both Power Import And Export</u></b></p> <p>Historically, Sugar Mills operating Co-generation plants have been subject to a uniform tariff structure for both export and import of electricity. However, the practice currently adopted by Distribution Licensee in dealing with Cogeneration plants without an ongoing PPAs with them, involves the application of a differential pricing mechanism. This marks a significant departure from established norms and imposes an undue financial burden on such plants.</p> <p>In this context, it is respectfully submitted that a uniform tariff for both import and export of electricity be introduced. Such a measure would ensure cost-reflective pricing, restore alignment with his storical PPA structures, and uphold the efficiency and fairness objectives embedded in the National Electricity Policy, 2005.</p>	The suggestion is not covered within the purview of this Draft Regulation, and hence, not accepted.
				<b>Importance of Long-Term PPAs for the Sustainability of Bagasse-Based Cogeneration Plants</b>	The suggestion is not covered within the purview of this Draft Regulation, and hence, not accepted.

				For the long-term sustainability of bagasse-based cogeneration plants, it is imperative that the Commission directs Distribution licensees to enhance procurement from these sources and enter into long-term PPAs. Given that the per-unit tariff from bagasse-based cogeneration is already lower than certain solar sources, non-procurement cannot be justified on financial grounds. If tariff concerns remain, a suitable tariff may be determined by the Hon'ble Commission to enable fair and competitive procurement.	
<b>Comments of Indian Energy Exchange(IEX)</b>					
27.	Clause 4.1	<p>4. Renewable Purchase Obligation</p> <p>4.1 Every Obligated Entity shall at-least purchase following source wise energy from Renewable Sources as specified below: -</p> <p>.....</p> <p>.....</p> <p>.....</p> <p>The Renewable Power Obligation will be on total consumption of</p>		<p><b><u>Alignment of Wind RPO Compliance Provisions With the MoP Order Dated 20.10.2023</u></b></p> <ol style="list-style-type: none"> <li>1. As has been noted in the introductory paragraph of the draft regulation, the Commission has prepared the draft in compliance with MoP notification dated 20.10.2023.</li> <li>2. Clause 4.1 of the draft regulation specifies that the obligated entity shall meet the wind renewable energy obligation (Wind RPO) by energy produced from WPPs commissioned after 31<sup>st</sup> March 2024 and the wind energy consumed over and above 7% from WPPs commissioned till 31<sup>st</sup> March 2024.</li> <li>3. Apparently, the aforesaid flexibility to use the consumption above 7%</li> </ol>	As discussed at sl.no. 4 above.

		<p>electricity by the Obligated Entity as below:</p> <p><b>(a)</b> Wind renewable energy component shall be met only by energy produced from Wind Power Projects (WPPs) commissioned after 31st March 2024 and the wind energy <del>consumed over and above 7% from WPPs- commissioned till 31st March 2024;</del></p>		<p>from old WPPs, for wind RPO was provided in the MoP notifications dated 22.07.2022 and 19.09.2022. The reason for providing such flexibility was a relatively higher wind RPO target in these notifications (for eg. In FY 2025, 2.46% wind RPO in earlier notifications v/s 0.67% in notification dated 20.10.2023).</p> <p>Since the target was brought down in the successive notification dated 20.10.2023, the aforesaid flexibility to use above 7% from old WPPs was also removed.</p> <p>4. Accordingly, it is requested that clause 4.1(a) of draft may kindly be aligned with the MoP notification dated 20.10.2023.</p>	
28.	Clause 4.1	<p>4. Renewable Purchase Obligation</p> <p>4.1 Every Obligated Entity shall at-least purchase following source wise energy from Renewable Sources as specified below: -</p> <p>.....</p>		<p><b><u>Fungibility Among RPO Categories as per MoP Order</u></b></p> <p>1. Clause 4.1 of the draft regulation also specifies that the obligated entity shall meet the shortfall in other RPO from excess energy consumed from eligible excess wind energy consumed beyond Wind RPO for that year or with, excess energy consumed from eligible Hydro Power Projects beyond HPO for that year or partly from both. The draft further specifies that any</p>	As discussed at sl.no. 4 above

		<p>..... ..... .....</p> <p>Further, in case of 'Other RPO', any shortfall remaining in achievement of 'Other RPO' category in a particular year can be met with either excess energy consumed from wind power projects, commissioned after 31st March 2024 beyond 'Wind RPO' for that year or with, excess energy consumed from eligible Hydro Power Projects [including Pump Storage Projects (PSPs) and Small Hydro Projects (SHPs)], commissioned after 31st March 2024 beyond</p>		<p>shortfall in achievement of Wind RPO can be met with excess of HPO for that year and vice versa.</p> <p>2. The MoP notification dated 20.10.2023 has allowed fungibility for fulfilment of different RE consumption categories. As per the Order, an obligated entity can meet shortfall of other renewable energy component from excess of wind energy component or hydro energy component and vice versa. Relevant extract of the order is provided below:</p> <p><i>"2. Any shortfall in achievement of stipulated wind renewable energy consumption in a particular year may be met with hydro renewable energy which is in excess of that energy component for that year and vice versa.</i></p> <p><i>3.The balance excess energy consumption under wind renewable energy or hydro renewable energy component in that year, may be considered as part of other renewable energy component.</i></p> <p><i>4. Any excess energy consumption under other renewable energy component a particular year, may be utilized to meet the shortfall in achievement of stipulated Wind renewable energy or Hydro Renewable Energy Consumption."</i></p>	
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		<p>‘HPO’ for that year or partly from both and vice versa.</p> <p>Provided that any shortfall in achievement of ‘Wind RPO’ in a particular year can be met with excess energy consumed from Hydro Power Plants, which is in excess of ‘HPO’ for that year and vice versa.</p>		<p>3. However, the draft regulation allows fulfilment of other renewable energy component from excess wind or hydro energy component but not vice versa.</p> <p>4. The Commission is requested to kindly align clause 4.1 of the draft regulation with the MoP order dated 20.10.2023 and allow fungibility for fulfilment of different RE consumption categories.</p>	
29.	5.3	<p>The proof of certificates purchased by the obligated entities from the Power Exchange in terms of the regulation of the Central Commission mentioned in clause (5.1) of this Regulation shall be submitted by the obligated entities to the Commission within a month of</p>		<p><b><u>Alignment of Draft Regulation with CERC REC Regulations, 2022</u></b></p> <ol style="list-style-type: none"> <li>1. As per clause 5.3 of the draft regulations, the obligated entity shall submit the proof of purchase of REC procured from power exchange to the Commission within a month of the purchase of the certificate.</li> <li>2. In terms of the CERC (Terms and Conditions for RECs for Renewable Energy Generation) Regulations 2022, Certificates can be traded through power exchange platforms or bilaterally through traders.</li> </ol>	<p>The suggestion is accepted and the draft Regulation clause 5.3 is slightly amended as under:</p> <p><i>“The proof of certificates purchased by the obligated entities from any source as envisaged under CERC (Terms and Conditions for REC for Renewable Energy Generation) Regulations, 2022 shall be submitted by the obligated entities to the Commission within a month of the purchase of the certificate.”</i></p>



		the purchase of the certificate.		3. In view thereof, clause 5.3 may be amended to make it generic for all the routes of REC trade.	
30.	Clause 6.3	The State Agency shall submit half yearly status with respect to compliance of RPO by the obligated entities to the Commission within 15th of the ensuing month after completion of 1st and 2nd half of Financial year in the format as annexed as Annexure-1 to these Regulations and may suggest appropriate action to the Commission, if required for compliance of the renewable purchase obligation.		<p><b><u>Publish Compliance Data on State Agency Website</u></b></p> <ol style="list-style-type: none"> <li>1. The draft regulation has specified that the State Agency shall provide RPO compliance details of the obligated entities to the Commission on half yearly basis.</li> <li>2. Further as per clause 4.3 of the draft regulation, the obligated entities and licensees are required to publish on website the details with regard to RE capacity addition, purchase of renewable energy etc. (The Commission is requested to publish half yearly RPO compliance details on its website also.</li> </ol>	Noted
31.	Clause 8.4	Captive / Open Access Consumer(s) / User(s) may fulfill its RPO through the renewable		Clause 8.4 seems redundant since clause 4.2 (C) has already empowered all the obligated entities to fulfill renewable energy compliance by way of purchase of REC.	Accepted, and accordingly clause 8.4 is deleted.

		energy certificate as provided in Regulation 5 of these Regulations.			
<b>Comments of M/s Shree Cement Ltd.</b>					
<b>32.</b>	<b>Clause 2.1 (i)</b>	‘Obligated Entity’ means the distribution licensee, consumer(s) owning the captive power plants and Open Access Consumer(s) in the state of Bihar which is mandated to fulfill renewable purchase obligation under these Regulations;	<b>Regulation 2.1 i):</b> ‘Obligated Entity’ means the distribution licensee, consumer(s) owning <b>the conventional captive power plants and Open Access Consumer(s) consuming power generated from conventional sources in the state of Bihar</b> which is mandated to fulfill renewable purchase obligation under these Regulations;	As per the definition provided in the draft regulations, the obligated entities include distribution companies (DISCOMs) and consumers who either operate captive power plants or procure power through open access. Currently, consumers can procure and consume renewable energy via power exchanges, traders, etc., by availing open access. Additionally, some consumers operate renewable captive power plants and wheel power to their consumption points through open access. In this context, imposing Renewable Purchase Obligation (RPO) on open access consumers/captive power plants based on renewable energy is not appropriate. Thus, for better clarity, only those consumers who avail open access and consume conventional energy should be considered as obligated entities. Consumers who use open access solely for wheeling renewable energy from their captive sources should not fall under the definition of obligated entities. Similarly, only consumers operating and wheeling conventional power plants shall be subjected to RPO.	Suggestion is not accepted
<b>33.</b>	<b>Regulation 4.1</b>	.... ....	<b>Regulation 4.1:</b> ....	As per the draft regulation, RPO is applicable on the total power consumption. However, if a consumer is procuring power	The notification dated 20.10.2023 of the Ministry of Power specifies the minimum share of consumption of

		<p>The Renewable Power Obligation will be on <b>total consumption of electricity by the Obligated Entity</b> as below: .....</p>	<p>....</p> <p>The Renewable Power Obligation will be on total consumption from conventional sources either through open access or from captive power plant of electricity by Obligated Entity as below: .....</p>	<p>from multiple sources under open access, including renewable energy sources, the RPO should be applicable only on the portion of power procured from conventional sources not on the total consumption, which might include consumption from renewable energy sources as well as DISCOMs consumption. Similarly, power drawn from DISCOM by obligated entity should be excluded as it already contains some portion of renewable energy in its energy sources. Therefore, to ensure better clarity, the draft regulation should explicitly mention that RPO applicability is limited to consumption from conventional sources.</p>	<p>renewable energy in respect of electricity distribution licensee and other designated consumers who are open access consumers or captive users as a percentage of their total share of energy consumption.</p> <p>In view of the above, this suggestion is not accepted.</p>
34.	<b>Regulation 5.1</b>	<p>Provided that, in the event of an obligated entity seeking to fulfil its RPO by purchase of certificates, the obligation to purchase electricity from various renewable energy sources as stipulated in clause 4.1 and 4.1(a) may be fulfilled by purchase of</p>	<p>Needs to be appropriately worded to bring the provision in line with CERC (Terms and Conditions for Renewable Energy Certificates for Renewable Energy Generation) Regulations, 2022.</p>	<p>As per the CERC (Terms and Conditions for Renewable Energy Certificates for Renewable Energy Generation) Regulations, 2022, RECs available in the market do not carry any source specific tagging like REC (solar), REC (wind) etc. Therefore, for the purpose of RPO compliance, an obligated entity may be directed to purchase RECs to meet the total RPO target or to address any shortfall in a given year, regardless of deficiency in particular RE category source. The above submission can be strengthened by carefully examining REC certificate (enclosed and marked as Annexure 2). Furthermore, a copy of REC certificate issued by power exchanges in which type of renewable energy source is not depicted.</p>	<p>This has already been discussed at sl no. 9 above. The draft clause does not require any change as it is in line with the CERC regulations.</p>

		appropriate certificates as per Central Electricity Regulatory Commission (Terms and Conditions for Renewable Energy Certificates for Renewable Energy Generation) Regulations, 2022.			
35.	<b>Regulation ns 8.1</b>	The quantum of RPO mentioned in clause 4.1 and 4.1(a) shall be applicable to captive and open access user(s)/consumer (s) as well irrespective of the non-fossil fuel source.	<b>Regulations 8.1</b> The quantum of RPO mentioned in clause 4.1 and 4.1(a) shall be applicable to captive and Open Access user(s)/consumer(s) as well irrespective of the fossil fuel source.	As per the draft regulation, RPO is applicable on energy consumed from non-fossil fuel sources. However, the definition of “obligated entity” and the provisions under regulation 4 of the draft regulation, the RPO will be applicable on the energy consumed from conventional/fossil fuel sources. Moreover, RPO is not applicable on power consumed from renewable energy source. Therefore, applicability of RPO on captive and Open Access consumer in the draft regulation need to rectified to the extent of sourcing of power from fossil fuel based power plant.	In light of the suggestion draft Regulation 8.1 is amended as below:  <i>“The quantum of RPO mentioned in clause 4.1 and 4.1(a) shall be applicable to all captive and open access user(s)/consumer(s) as per Regulation 3.1 of these Regulations.”</i>  -
	<b>Comments of Prayas (Energy Group)</b>				

36.				<p><b><u>Specify Energy Storage Targets</u></b></p> <p>The proposed draft regulation has stated targets as per MoP notification dated 20<sup>th</sup> October 2023. We appreciate this effort. However, considering the importance of energy storage in better integration of RE to the national grid, providing more stability to grid and addressing impact of Load variability in the State. We suggest that the Commission should also specify Energy Storage Targets for the Obligated entities as state in the MoP order on RPO and ESO Trajectory till 2029-30 dated 22<sup>nd</sup> July 2022 read with corrigendum dated on 19<sup>th</sup> September 2022.</p>	<p>The Draft regulation is in line with the provisions and trajectory prescribed by the Ministry of Power, Government of India, as outlined in the notification S.O. 4617(E) dated 20th October 2023. Therefore, this suggestion is not accepted.</p>
37.	<b>Clause 4.1</b>			<p><b><u>Composite RPO better for RE planning</u></b></p> <p>In clause 4.1 Para 11 and 12 of Regulation 4, Fungibility across various RPO categories is allowed, ie., excess consumption in any one category can be considered in another category to fulfil RPO. We suggest that there can be a composite RPO structure instead of having separate RPO categories (wind, HPO, DRE and other RPO). Hence, there can be only 2 categories of targets: RE and DRE (as DRE is not fungible), apart from ESO. This will help Oes in planning their renewable power purchase in a better way. Further, in case the proposed categories are kept, it will be better to re-define the “Wind RPO” category, In this regard, we would like</p>	<p>The Draft regulation is in line with the provisions and trajectory prescribed by the Ministry of Power, Government of India, as outlined in the notification S.O. 4617(E) dated 20th October 2023. Therefore, this suggestion is not accepted.</p>

				<p>to highlight the proposed definition of “Wind RPO”, which as follow:</p> <p><i>“Wind renewable energy component shall be met only by energy produced from Wind Power Projects (WPPs) commissioned after 31<sup>st</sup> March 2024 and the wind energy consumed over and above 7% from WPPs commissioned till 31<sup>st</sup> March 2024”.</i></p> <p>This mean that the 93% of generation from the existing wind plants (commissioned till 31<sup>st</sup> March 2024) are being considered as “Wind RPO” and only remaining 7% is being considered for “Other RPO” category. Hence, we suggest that the definition of Wind RPO Category be changed, and it shall be met from energy produced from any wind power projects, irrespective of its commissioning date. This will also require change in definition of “Other RPO” category. This will simplify the date reporting and compliance process.</p>	
38.				<p><b><u>Data Submission and RPO Compliance Process</u></b></p> <p><b>a) Data submission time line</b></p> <p>There should be uniform timelines of data submission for all Obligated entities. The Commission/nodal agency may develop a RPO web portal where all OE’s can submit RPO Compliance data. The State Agency can monitor this RPO portal and prepare a</p>	Noted

				<p>report of RPO Compliance status of all Oes and submit it to the Commission. This portal should be publicly accessible. In regard to timelines, we suggest that Oes submit annual data to nodal Agency by 15<sup>th</sup> May and post verification, the state nodal agency shall submit the annual data to the Commission by 15<sup>th</sup> June. The Commission may further consider including specific penalty provision for non-submission of data and non-adherence to such timelines by the entities for data reporting.</p> <p><b>b. Data reporting format</b></p> <p>We appreciate data reporting format given in the annexure-I of the proposed regulations. The annexure-I can be provided as an excel file along with the regulation on the commission's website as it includes formulae based calculations and providing excel file will simplify data entry by Oes and reduce chances of error while entering the data.</p> <p><b>c. RPO Compliance verification process</b></p> <p>The RPO Compliance data verification is also an important aspect along with the data reporting. Compliance verification should ideally be an public proceeding and should be independent from true-up or tariff determination processes. There should be a separate public proceeding for verification of RPO Compliance. Further, the Commission should incorporate clear and strict timelines</p>	
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				of verification of RPO compliance on an annual basis. The Commission should publish verified RPO compliance data for each Obligated Entity in the public domain within 15 days of completion of the verification process.	
39.	Clause 9.1			<p><b><u>Penalty Provisions</u></b></p> <p><b>a. Penalty Fund</b></p> <p>The proposed regulation suggest that the penalty will be imposed for non-compliance of RPO targets as per section 142 of EA, 2003 and clause 9 of the regulation states that:</p> <p><i>“If an Obligated Entity does not fulfil the renewable purchase obligation as provided under these Regulations during any year and also does not purchase the required certificates, the 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 or as decided by the Central Commission or the fund may be deposited in the “Bihar Renewable Energy Development Fund”.</i></p>	As discussed at SI No-11 and 25 above



				<p>In this regard, we suggest that the fund for depositing the penalty amount should only be created and maintained by state agency and not by any obligated entity. Further, the Commission should determine the penalty amount based on the RPO shortfall and this function cannot be delegated to the Central Commission as they have no jurisdiction either under section 86(1)(e) of the E.A, 2003 or any mention in the Energy Conservation Act under which the Oct 2023 notification for RCO was issued by MoP.</p> <p><b>b. Specifying Minimum penalty quantum</b></p> <p>It will be better if the minimum penalty quantum is also specified in the regulation for providing a strong signal to OE for no-compliance. In this regard, we suggest to keep a minimum penalty as either 5 times the weighted average REC price for the FY (in consideration) or Rs. 0.50 per unit, whichever is higher.</p> <p><b>c. Transparency in penalty process</b></p> <p>Further, there should be transparency about the penalty process: its imposition, collection and utilization. While publishing a separate order for RPO proceedings, any amount of penalty imposed should be clearly mentioned in those orders. It is</p>	
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				<p>appreciable that the draft regulation mentions timeline for deposition of penalty in the fund, which according to last proviso of clause 9.1, is within 15 days of the communication of such direction. The state agency should monitor whether the proposed timeline is adhered to by the entity. The data related to deposition of penalty (amount, date on which penalty was deposited, etc.) and remaining fund for each obligated entity should be published by the nodal agency on a regular basis and be made available in the public domain. The Commission may also consider including a penal provision in case penalty quantum is not deposited in the stipulated timelines, as specified in the regulations.</p> <p><b>d. Carry forward provisions</b></p> <p>The draft regulation allows carry forward of shortfall in meeting RPO compliance. However, it should not be allowed on a routine basis. Furthermore, even if in rare cases carry forward is allowed, the reasons for carryforward of the shortfall should be clearly mentioned in the order issued by Commission.</p>	
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40.	Clause 4.1			<p><b>Other Comments</b></p> <p>a. We suggest that the Commission should elaborate the role of the Monitoring Committee to ensure compliance mentioned in clause 10.2 of these Regulations.</p> <p>b. In the Clause 4.1(d) the cut-off date should be 1<sup>st</sup> April, 2024 instead of 1<sup>st</sup> April, 2025.</p> <p>c. In 2<sup>nd</sup> Proviso of clause 4.1 ( C) term “designated consumer” is used. We suggest that it should be changed to “Obligated Entity”, as the draft regulation has referred to “Obligated Entity” term only.</p>	<p>a. The role of the Committee need not defined in the Regulation. The Commission while appointing the Committee will notify its Term of Reference</p> <p>b. In Clause 4.1(d) the cut-off date is corrected as 1<sup>st</sup> April, 2024 instead of 1<sup>st</sup> April, 2025.</p> <p>C. The Draft regulation is in line with the provisions of Ministry of Power, Government of India, dated 20th October 2023. Therefore, this suggestion is not accepted.</p>
	<b>Comments of Bihar Industries Association (BIA)</b>				
41.	Clause 4.1			<p>Clause 4.1 of the proposed regulations specify the quantum of renewable power to be purchased through specified sources such as Wind RPO, Hydro Power obligation, distributed renewable energy and other RPO. As the local renewable power generation in Bihar is almost entirely solar, biomass or bagasse based, interchangeability of these specific categories should be allowed depending upon local availability in the state.</p> <p>Several states such as Kerala, Chhattisgarh, Nagaland, etc. have included a provision that "The licensee shall source the proposed quantum of electricity from renewable</p>	As discussed at sl.no 22 above

				sources within its area of supply, to the extent possible." We request inclusion of such mandatory clauses in the proposed regulations to promote the local renewable energy sector.	
42.	Clause 4.1			Clause 4.1 (d) specifying sources for other RPO seems to again include wind and hydro sources. A clarification may be issued in this regard to avoid confusion.	The Draft regulation is in line with the provisions and trajectory prescribed by the Ministry of Power, Government of India, as outlined in the notification S.O. 4617(E) dated 20th October 2023. Therefore, this suggestion is not accepted.
43.	Clause 8.1			Clause 8.1 is imposing renewable power purchase obligations on captive and open access consumers as well. Presently, Bihar has almost negligible captive or open access consumers. Therefore, such obligations should not be imposed on them so that captive and open access consumers can be increased sharply. Once such consumers reach about 10% of total consumption in Bihar, such renewable power purchase obligations may be applied.	Not acceptable being contrary to MoP notification dated 20.10.2023
				Some seasonal industries, such as Sugar mills, are obligated to take minimum contract demand based on 33 KV/132 KV connection. This leads to payment of heavy fixed demand charges while their actual power requirement during off season is as low as 200 KVA. Suitable changes may be made to prevent such fixed demand charges	This suggestion is not related with present matter, hence it is not accepted.

				which have to be paid irrespective of the actual power consumption being very low.	
				The present renewable energy incentive policy of Bihar Govt. has lapsed and a new policy is under active consideration of the government. Therefore, we request BERC to defer the framing of new Renewable Energy Regulations, 2025 so that the regulations needed to implement the proposed policy of Bihar Govt. is included in the proposed regulations.	This suggestion is not related with present matter, hence it is not accepted.
	<b>Comments of Dalmia Cement</b>				
44.	Clause 3		<p>Draft Regulation suggest RPO on generation from WHRS as per below mention clause;</p> <ol style="list-style-type: none"> <li>1. Applicability of Renewable Purchase Obligation</li> <li>1.1 These Regulations shall be applicable to all Obligated Entity such as:</li> </ol> <p>(b) through cogeneration from sources other than renewable sources</p>	<ul style="list-style-type: none"> <li>• In the order of SMP 20 of 2020 Commission has exempted applicability of RPO on WHRS and suggest including the same in the draft regulation. (Annexure-1, page no. 41 of the order.</li> <li>• Ministry of Power has sought draft Amendment to the gazette Notification on Renewable Consumption Compliance (RCO) notified on 20<sup>th</sup>October 2023. And in the said amendment has proposed to exempt RCO compliance on WHRS using fossil-based process.</li> </ul> <p style="text-align: center;"><b>Quote</b></p> <p>For clause 5 of the said notification, following shall be substituted, namely:--</p>	The Draft regulation is in line with the provisions and trajectory prescribed by the Ministry of Power, Government of India, as outlined in the notification S.O. 4617(E) dated 20 <sup>th</sup> October 2023. Therefore, this suggestion is not accepted.

				<p>“5. For captive users notified as designated consumers, electricity consumption obligations shall include self-consumption excluding auxiliary consumption. Further, the consumption obligations shall exclude electricity generated and self- consumed from waste heat recovery process using fossil-based sources, except for electricity generated from a Waste Heat Recovery Steam Generator (WHRSG) in a captive Combined Cycle Gas-Based Generating Station.”</p> <p style="text-align: center;"><b>Unquote</b></p> <p>Thus, in line with above facts we would suggest to exempt RPO compliance on generation from Waste Heat Recovery process using fossil-based sources and allow generation from WHRS to meet compliance of RPO of the industry.</p>	
45.			<p><b>Fulfilment of RPO target on Obligated Entity Sourcing Power from captive and open access from third party</b></p> <p>Draft Regulation clause suggest:</p> <p>4. Renewable Purchase Obligation</p> <p>4.1 Every Obligated Entity shall at-least purchase following source wise energy from Renewable</p>	<p>DCBL is an obligated entity and that sourcing power from Wind and Hydro for fulfilment of RPO would be a difficult until and unless we have PPA with such power plant and thus we suggest that for those obligated entity who consume power from captive non-conventional energy and from third party through open access be allowed to meet total RPO as mentioned in the table irrespective of non-fossil sources.</p>	Not acceptable

			Sources as specified below:	<p>This has also mentioned in Ministry of Power Notification dated 10<sup>th</sup> October 23</p> <p><b>The designated consumers who are open access consumers or consumers with Captive Power Plants shall fulfil their obligation as per the specified total renewable energy target irrespective of the non-fossil fuel source.</b></p> <p>We would suggest allowing fulfilment of RPO obligation within group plant, i.e. surplus RE power available in an individual plant of a group can be utilized in other plant of the group to meet RPO compliance on ground that RE potential is not uniform across the nation.</p>	
<b>Comments of State Load Dispatch Center (SLDC)</b>					
46.				<p>It is humbly submitted that for Discoms &amp; Railway (Who is availing 100% power through LTA), the point of consumption of power for calculation of RPO shall be either from Low voltage (33KV) side of transformer/ or at 400/220/132kv side of Transmission system.</p>	<p>The suggestion is accepted and a new clause in definition section of the draft regulation is inserted as clause 2.1(q) to include the definition of Renewable Purchase of Obligation (RPO) as follows:</p> <p><b><i>“Renewable Purchase of Obligation (RPO): RPO is a requirement specified by BERC u/s 86(1)(e) of the Electricity Act for the obligated entities, to purchase minimum level of renewable</i></b></p>

					<p><i>energy out of total consumption of electricity by the obligated entities.</i></p> <p><b>Explanation:</b> <i>Consumption of Electricity shall mean energy input in the system of obligated entities at its boundary.”</i></p> <p>The numbering of all succeeding clauses of Regulation 2(definitions) shall be corrected accordingly.</p>
				<p>This is to submit that those customers, who are availing power partly thorough Open Access and partly from Discoms as an HT Consumer, RPO shall be applicable only for the duration when power is being availed through open access.</p>	<p>Suggestion is accepted, to provide further clarity on the treatment of consumption by open access consumers or captive users in respect of considering their consumption towards RPO compliance. Commission decides to include the following proviso after regulation 3.1:</p> <p><i>“Provided that for such obligated entities who are availing power partly through open access/captive plant and partly through discoms, the RPO shall be applicable to the extent of consumption of electricity from sources other than distribution licensee concerned.”</i></p>



				Where any Obligated Entity fails to comply with the obligation to purchase the required percentage of power from renewable energy sources or the Renewable Energy Certificates, the Hon'ble commission may fix rate of penalty or the methodology for imposing the penalty for better operation and transparency which may be revised from time to time.	Suggestion is noted.
				It is humbly submitted that “inter-state sale “in SL No. 1 of Annexure-I “Energy sale excluding inter-state sale” appears as typographical error. It may be considered as international sale in place of Inter-state sale.	Suggestion is noted
	<b>Comments of Bihar Renewable Energy Development Agency (BREDA)</b>				
47	Clause 2.1 (O)			Clause 2.1 (O)- Green Hydrogen project may be added as Renewable Energy Sources.	As discussed at sl no 2 above
48	Clause 2.1 (s)			Clause 2.1 (s)- State Nodal Agency means Bihar Renewable Energy Development Agency (BREDA) is to be mentioned.	Commission accepts the suggestion.
49	Clause 5.1			Clause 5.1- Provided that, in the event of an obligated entity seeking to fulfill its RPO by purchase of Certificates, the obligation to purchase electricity from	Noted

				various Renewable Energy Sources as stipulated in clause 4.1 and 4.1 a, b, c & d may be fulfilled by purchase of appropriate Certificates as per Central Electricity Regulatory Commission (Terms and conditions for Renewable Energy Certificates for renewable Energy Generation) Regulations, 2022.	
50 .	Clause 6.4			Clause 6.4- if the commission is satisfied that the State Agency is not able to discharge its function due to any unavoidable reason, it may by general or special order, and by recording reasons in writing, the commission may intimate to the State Agency.	<p>It is observed that the above suggestion of the stakeholder is mainly due to confusion arising out of definition of 'State Agency' and 'State Nodal Agency' separately. For the instant matter which relates to supervision and report in RPO related matters, role of State Agency is defined in the CERC (Terms &amp; Conditions of REC and RE Generation) Regulations, 2022. Also the BERC vide notification dated 23.11.2010 had designated BREDA as "State Agency" for accreditation and recommending new energy projects for registration and to undertake functions as specified in the extant Regulations.</p> <p>Accordingly, Commission decides to delete the clause (r) of Regulation 2.1(definition) of the draft and to amend the clause (s) of Regulations 2.1 as follows:</p>

					<p><i>"State Agency- means Bihar Renewable Energy Development Agency (BREDa)"</i></p> <p>with suitable alignments in its numbering.</p>

4. draft Regulations as discussed under various paragraphs above have been modified to this extent. Remaining provisions of the draft, against which no comments/suggestions/ objections has been received are approved as proposed with modification wherever required to align with the accepted suggestions/comments. Accordingly, BERC(Renewable Purchase Obligations, its Compliance & REC Framework Implementation) Regulations, 2025 is annexed herewith as Annexure-A of this order.

The Commission directs the secretariat to ensure publication of the BERC(Renewable Purchase Obligations, its Compliance & REC Framework Implementation) Regulations, 2025 in the official Gazette and send its copy to the licensees concerned.

**Sd/-**  
**(P.S. Yadav)**  
**Member**

**Sd/-**  
**(A.K. Sinha)**  
**Member**

**Sd/-**  
**(Amir Subhani)**  
**Chairman**

**Bihar Electricity Regulatory Commission (Renewable Purchase  
Obligation, its Compliance and REC Framework  
Implementation) Regulations, 2025**

In exercise of powers conferred under sections 61, 66, 86(1)(e) and 181 of the Electricity Act, 2003 (36 of 2003) and all other powers enabling it in this behalf and also in compliance of Ministry of Power, Govt. of India notification no. S.O. 4617(E) dated 20<sup>th</sup> October 2023 notifying Renewable Purchase Obligation trajectory till 2029-30 for share and type of consumption from different non-fossil fuel sources (renewable energy) and after previous publication, the Bihar Electricity Regulatory Commission (hereinafter referred to as 'BERC' or 'Commission') hereby makes the following Regulations namely:

**1. Short Title and Commencement**

- 1.1 These Regulations may be called the Bihar Electricity Regulatory Commission (Renewable Purchase Obligation, its Compliance and REC Framework Implementation) Regulations, 2025.
- 1.2 These Regulations shall come into force from the date of their publication in the Bihar Gazette.
- 1.3 These Regulations shall extend to the whole of the State of Bihar.

**2. Definitions and Interpretation**

- 2.1 In these Regulations, unless the context otherwise requires,
  - a) 'Act' means the Electricity Act, 2003 (Act No.36 of 2003) and subsequent amendment thereof;
  - b) 'Area of Supply' means the area within which the distribution licensee is authorized to supply electricity;
  - c) 'Central Agency' means the agency operating the National Load Dispatch Centre or such other agency as the Central Commission may designate from time to time;
  - d) 'Central Commission' means the Central Electricity Regulatory

Commission referred to in sub section (1) of section 76 of the Act;

- e) 'Certificate' means the renewable energy certificate issued by the Central Agency in accordance with the procedures prescribed by it and under the provisions specified in the Central Electricity Regulatory Commission (Terms and Conditions for recognition and issuance of Renewable Energy Certificate for Renewable Energy Generation) Regulations, 2022; and subsequent amendments thereof;
- f) 'Commission' means the Bihar Electricity Regulatory Commission;
- g) 'Distributed Renewable Energy' means the electricity fed into the electric system at a voltage level of below 33 KV using rooftop solar PV system [or such other forms of renewable sources as may be approved by the Commission from time to time or as recognized by the Ministry of New and Renewable Energy, Government of India]
- h) 'Distribution Licensee' means a licensee authorized to operate and maintain a distribution system for supplying electricity to the consumers in his area of supply;
- i) "Green Energy" means the electrical energy from renewable sources of energy including hydro and storage (if the storage uses renewable energy) or any other technology as may be notified by the Government of India from time to time and shall also include any mechanism that utilises green energy to replace fossil fuels including production of green hydrogen or green ammonia as per provision of clause G of sub-rule (2) of rule 4 of Electricity (Promoting Renewable Energy Through Green Energy Open Access), Rules 2022
- j) 'Obligated Entity' means the distribution licensee, consumer(s) owning the captive power plants and Open Access Consumer(s) in the state of Bihar which is mandated to fulfill renewable purchase obligation under these Regulations;
- i) 'Open Access Consumer' means a consumer availing Open Access under subsection (2) of section 42 of the Act;
- j) 'Person' shall include any company or body corporate or association or body of individuals, whether incorporate or not, or artificial juridical person;
- k) 'Power Exchange' means any exchange operating as the power

exchange for electricity in terms of the orders issued by the Central Commission;

- l) 'Prosumer' means a person who consumes electricity from the grid and can also inject electricity into the grid for distribution licensee, using same point of supply;
- m) 'Quantum of Purchase' means percentage share of total purchase of electricity from renewable energy sources as specified in these Regulations. The quantum would be the sum of all direct purchases from generating stations based on renewable energy sources, purchase from any other licensee and Power purchased from exchange which would arise from renewable energy sources.
- n) 'Renewable Energy Sources' means non-conventional or renewable electricity generating sources such as Hydro Power Projects [including Pump Storage Projects (PSPs) and Small Hydro Projects (SHPs)], wind, solar, biomass including husk and bagasse based cogeneration, urban/municipal solid waste, or such other sources, (which are generally inexhaustible and can be replenished in a short period of time) as approved by the Ministry of New and Renewable Energy, Government of India or by the state of Bihar;
- o) Renewable Purchase of Obligation (RPO): RPO is a requirement specified by BERC u/s 86(1)(e) of the Electricity Act for the obligated entities, to purchase minimum level of renewable energy out of total consumption of electricity by the obligated entities.  
**Explanation:** Consumption of Electricity shall mean energy input in the system of obligated entities at its boundary.
- p) 'Small Hydro Projects' means a hydropower project with an installed capacity up to and including 25 MW or, as defined by the Government of India, from time to time at a single location;
- q) 'State' means the state of Bihar;
- r) 'State Agency' means Bihar Renewable Development Agency (BREDA);
- s) 'Supply' in relation to electricity, means the sale of electricity to a

licensee or a consumer;

t) 'Year' means a financial year.

2.2 The words and expressions used and not defined in these Regulations but defined in the Act shall have meanings assigned to them in the Act. Expression used herein but not specifically defined in these Regulations or in the Act but defined in any other Regulations, Rules issued by the appropriate authority shall have the same meaning assigned to them.

### **3. Applicability of Renewable Purchase Obligation**

3.1 These Regulations shall be applicable to all Obligated Entity such as:

I) Distribution licensee

II) Any other person consuming electricity.

(a) generated from conventional Captive Generating Plant having capacity of 1MW and above for his own use.

(b) through cogeneration from sources other than renewable sources.

(c) By procurement from conventional electricity generation through Open Access and for third party sale.

Provided that for such obligated entities who are availing power partly through open access/captive plant and partly through discoms, the RPO shall be applicable to the extent of consumption of electricity from sources other than distribution licensee concerned.

### **4. Renewable Purchase Obligation**

4.1 Every Obligated Entity shall at-least purchase following source wise energy from Renewable Sources as specified below: -

<b>Financial Year</b>	<b>Wind RPO</b>	<b>Hydro Power Obligation (HPO)</b>	<b>Distributed renewable energy</b>	<b>Other RPO</b>	<b>Total RPO</b>
<b>2025-26</b>	1.45%	1.22%	2.10%	28.24%	33.01%
<b>2026-27</b>	1.97%	1.34%	2.70%	29.94%	35.95%
<b>2027-28</b>	2.45%	1.42%	3.30%	31.64%	38.81%
<b>2028-29</b>	2.95%	1.42%	3.90%	33.10%	41.36%



<b>2029-30</b>	3.48%	1.33%	4.50%	34.02%	43.33%
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The Renewable Power Obligation will be on total consumption of electricity by the Obligated Entity as below:

- (a) The wind renewable energy component shall be met by energy produced from Wind Power Projects (WPPs) commissioned after the 31st of March 2024.

Provided that any shortfall in achievement of 'Wind RPO' in a particular year may be met with hydro renewable energy which is in excess of that energy component for that year and vice-versa.

- (b) Hydro Power Obligation (HPO) shall be met only by energy produced from **Hydro Power Projects [including Pump Storage Projects (PSPs) and Small Hydro Projects (SHPs)], commissioned after the 31<sup>st</sup> March, 2024;**

Provided that, HPO obligation of the state/DISCOM may be met out of the free power being provided to the state of Bihar from the Hydro Power Projects commissioned after the 31<sup>st</sup> March, 2024.

Provided further that the hydro renewable energy component may also be met from Hydro Power Projects located outside India as approved by the Central Government on a case-to-case basis.

In case, the free power mentioned above is insufficient to meet the HPO obligations, then the Obligated Entity would have to buy the additional hydro power to meet its HPO obligation or may have to buy corresponding amount of Renewable Energy Certificate corresponding to such shortfall in Hydro Power.

- (c) The distributed renewable energy component shall be met only from the energy generated from renewable energy projects that are less than 10 MW in size and shall include solar installations under all configurations (net metering, gross metering, virtual net metering, group net metering, behind the meter installations and any other configuration) notified by the Central Government.

Provided that the compliance against distributed renewable energy shall ordinarily be considered in terms of energy (Kilowatt hour units):

Provided further that in case the designated consumer is unable to provide generation data against distributed renewable energy installations, the reported capacity shall be transformed into distributed renewable energy generation in terms of energy by a multiplier of 3.5 units per kilowatt per day (kWh/kW/day).

- (d) Other RPO may be met by energy produced from any renewable energy power project including power purchased from exchanges other than specified in (a), (b) and (c) above and shall comprise energy from all WPPs and Hydro Power Projects [including Pump Storage Projects (PSPs) and Small Hydro Projects (SHPs)], including free power, commissioned before 1st April, 2024.

Shortfalls in Wind renewable energy or Hydro renewable energy consumption obligations in a given year may be offset by surplus consumption from the Other renewable energy component, and vice-versa.

Further, in case of 'Other RPO', any shortfall remaining in achievement of 'Other RPO' category in a particular year can be met with either excess energy consumed from wind power projects, commissioned after 31<sup>st</sup> March 2024 beyond 'Wind RPO' for that year or with, excess energy consumed from eligible Hydro Power Projects [including Pump Storage Projects (PSPs) and Small Hydro Projects (SHPs)], commissioned after 31<sup>st</sup> March 2024 beyond 'HPO' for that year or partly from both.

Provided that any shortfall in achievement of 'Wind RPO' in a particular year can be met with excess energy consumed from Hydro Power Plants, which is in excess of 'HPO' for that year and vice versa.

Provided also that Renewable Energy purchased through bundled power shall qualify for Renewable Purchase Obligation compliance to the extent of Renewable Energy content in the bundled power.

Provided further that Distribution Licensee shall be eligible to utilize the renewable energy generated from Prosumers supplying power to such Licensee under the Gross Metering, Net Billing and Net Metering arrangement as the case may be towards meeting the RPO compliance, provided that the Prosumer should not be an Obligated Entity under these Regulations.

Provided further that Distribution Licensee shall compulsorily procure 100% power generated from waste to energy plants in the state.

Provided also that Commission may review minimum percentage of compliance specified in the above Regulations depending upon prevailing situation in succeeding years.

- 4.2 There shall be uniform renewable purchase obligation, on all obligated entities in area of a distribution licensee. Any Obligated Entity, may elect to generate, purchase and consume renewable energy to meet their obligation 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, by obligated entities for their own consumption and such plants may be set up at any location in India and power shall be transmitted by using open access:

Provided that the generating plant may be set up by the entity itself or by a developer with which the entity enters into a power purchase agreement.

- (B) By procuring Renewable Energy through Open Access from any Developer either directly or through a trading licensee or through power markets.

**Explanation:**

- (1) Developer means the generating company who generate electrical energy from renewable sources of energy.
- (2) Trading Licensee means a person who has been granted a license by appropriate commission, for purchase of electricity for resale

thereof.

(C) By purchasing of Renewable Energy Certificates in accordance with the applicable Regulations.

(D) Purchase of green hydrogen or green ammonia; —the Obligated Entity can also meet their Renewable Purchase Obligation by purchasing green hydrogen or green ammonia and the quantum of such green hydrogen or green ammonia would be computed by considering the equivalence to the green hydrogen or green ammonia produced from one MWh of electricity from the renewable sources or its multiples and norms in this regard shall be notified by the CERC.

Provided that the obligated entity shall endeavor to source the mandatory percentage purchase from renewable sources within the State on the basis of their Commercial viability. In case, they are not able to meet the purchase obligation from such sources located in the State, they shall have the option to purchase the shortfall from outside the State. The energy generated from renewable sources in the State which is used by generator itself or sold to third party under open access, the same will be considered under the mandatory minimum percentage of power purchase.

4.3 The Licensee or its successor entities shall submit half yearly progress report on the capacity addition, purchase of electricity from such projects and the energy generated from renewable sources in the State which is used by generator itself or sold to third party under Open Access to the Commission and also post them on their website.

4.4 The Commission may, suo-motu or at the request of licensee, revise the percentage targets for a year as per clause 4.1 of these Regulations keeping in view supply constraints or other factors beyond the control of the licensee.

## **5. Certificates under the Regulations of the Central Commission**

5.1 Subject to the terms and conditions contained in these Regulations the Certificates issued under the Central Electricity Regulatory Commission (Terms and Conditions for Renewable Energy Certificates for Renewable Energy Generation) Regulations, 2022 shall be the valid instruments for the discharge of the mandatory obligations set out in these Regulations for the obligated entities to purchase electricity from renewable energy sources.

Provided that, in the event of an obligated entity seeking to fulfil its RPO by purchase of Certificates, the obligation to purchase electricity from various Renewable Energy Sources as stipulated in Clause 4.1 and 4.1 (a) may be fulfilled by purchase of appropriate Certificates as per Central Electricity Regulatory Commission (Terms and Conditions for Renewable Energy Certificates for Renewable Energy Generation) Regulations, 2022.

- 5.2 Subject to such direction as the Commission may give from time to time, the Obligated Entity shall act consistent with the Central Electricity Regulatory Commission (Terms and Conditions for Renewable Energy Certificates for Renewable Energy Generation) Regulations, 2022 notified by the Central Commission in regard to the procurement of the certificates for fulfilment of the Renewable Purchase Obligation under these Regulations.
- 5.3 The proof of certificates purchased by the obligated entities from any source as envisaged under CERC (Terms and Conditions for REC for Renewable Energy Generation) Regulations, 2022 shall be submitted by the obligated entities to the Commission within a month of the purchase of the certificate.

## **6. State Agency**

- 6.1 The State Agency shall be the agency for accreditation and recommending the renewable energy projects for registration and to undertake functions under these Regulations.
- 6.2 The State Agency shall function in accordance with the directions issued by the Commission and shall act in consistent with the procedures/rules laid by Central Agency for discharge of its functions under the Central Electricity Regulatory Commission (Terms and Conditions for Renewable Energy Certificates for Renewable Energy Generation) Regulations, 2022.
- 6.3 The State Agency shall submit half yearly status with respect to compliance of RPO by the obligated entities to the Commission within 30 days after completion of 1st and 2nd half of financial year in the format as annexed as Annexure-I to these Regulations and may suggest appropriate action to the Commission, if required for compliance of the renewable purchase obligation.
- 6.4 If the Commission is satisfied that the State Agency is not able to discharge its functions satisfactorily, it may by general or special order, and by recording reasons in writing, designate any other agency to function as State Agency as it considers appropriate.

## **7. Distribution Licensee**

- 7.1 Each distribution licensee shall indicate, along with sufficient proof thereof, the estimated quantum of purchase from renewable energy sources for the ensuring year in tariff (ARR or MYT) / annual performance review petition in accordance with Regulations notified by the Commission. The estimated quantum of purchase shall be in accordance with clause 4.1 and 4.1(a) of these Regulations.
- 7.2 Despite availability of renewable energy sources, if distribution licensee fails to fulfill the minimum quantum of purchase from renewable energy sources, it, without prejudice to the penalty to which it may be liable under section 142 of the Act, shall be liable to pay compensation as per clause 9 of these Regulations.

## **8. Captive and Open Access User(s) / Consumer(s)**

- 8.1 The quantum of RPO mentioned in clause 4.1 and 4.1(a) shall be applicable to all captive and open access user(s)/consumer(s) as per Regulation 3.1 of these Regulations.
- 8.2 Every Captive and Open Access Consumer(s) / user(s) shall have to submit necessary details regarding total consumption of electricity and purchase of energy from renewable sources for fulfillment of RPO on yearly basis on or before 30<sup>th</sup> April to the State Agency.
- 8.3 Captive and Open Access Consumer(s) / User(s) shall purchase renewable energy as stated in clause 4.1 and 4.1(a) of these Regulations. If the Captive user(s) and Open Access Consumer(s) are unable to fulfill the criteria as specified in clause 8.2 of these Regulations, the shortfall of the targeted quantum would attract payment of regulatory charge as per the Regulation 9 of these Regulations.

## **9. Effect of Default**

- 9.1 If an Obligated Entity does not fulfil the renewable purchase obligation as provided under these Regulations during any year and also does not purchase the required certificates, the Commission may direct the Obligated Entity to deposit into a separate fund to be created under provisions of Bihar RE policy 2025, such amount as the Commission may determine on the basis of the shortfall in units of RPO.
- Provided that the fund so created shall be utilized as may be directed by the Commission, partly for purchase of the certificates and partly for development of transmission/ sub-transmission infrastructure for

evacuation of power from generating stations based on renewable energy sources.

Provided further that the obligated entities shall not be authorized to use the fund created in pursuance of the above, without prior approval of the Commission.

Provided also that if the obligated entities fail to deposit the amount directed by the Commission within 15 days of the communication of such direction, the obligated entities shall be in breach of its license condition.

- 9.2 Where any Obligated Entity fails to comply with the obligation to purchase the required percentage of power from renewable energy sources or the Renewable Energy Certificates, it shall also be liable for penalty as may be decided by the Commission under section 142 of the Act.

Provided that in case of genuine difficulty in complying with the renewable purchase obligation because of non-availability of power or any other reason beyond control of the obligated entity, the obligated entity concerned can approach the Commission for carry forward of compliance requirement to the next year. However, credit for excess purchase from renewable energy sources would not be adjusted in the ensuing year.

Provided further that where the Commission has consented to carry forward of compliance requirement, the provision of clause (9.1) of the Regulation or the provision of section 142 of the Act shall not be invoked.

## **10. Appointment of Compliance Auditors & Monitoring Committee**

- 10.1 The Commission may appoint from time-to-time Compliance Auditors to inquire into and report on compliance of these Regulations. The Auditor shall also certify the fund operated by the State Agency and created under Regulation (9.1) of these Regulations.
- 10.2 The Commission may appoint Monitoring Committee to ensure compliance of these Regulations from time to time.

## **11. Overriding Effect**

Notwithstanding anything contained contrary to-

- a) The BERC (Multi Year Distribution Tariff) Regulation, 2024
- b) The BERC (Terms and Conditions of Intra-State Open Access) Regulation 2018;

- c) The BERC (Terms and Conditions of Green Energy Open Access) Regulations, 2025;
- d) The BERC (Terms and Conditions for Tariff determination from Renewable Energy Sources) Regulation 2023;

and any other relevant Regulations notified by the Commission under section 181 of the Electricity Act 2003; these Regulations will have overriding effect.

## **12. Power to Remove Difficulties**

If any difficulty arises in giving effect to any of the provisions of these Regulations, the Commission may, either suo-motu or on an application made to it, by general or special order, direct the licensee/ generator or any other person to take suitable action, not being inconsistent with the Act, which appears to the Commission to be necessary or expedient for the purpose of removing the difficulty.

## **13. Issue of Orders and Directions**

Subject to the provisions of the Act and these Regulations, the Commission may, from time to time, issue orders and practice directions with regard to the implementation of these Regulations and procedure to be followed for such implementation and matters incidental or ancillary thereto.

## **14. Saving of Inherent Powers of the Commission**

Nothing contained in these Regulations shall limit or otherwise affect the inherent powers of the Commission to adopt a procedure, which is at variance with any of the provisions of these Regulations, if the Commission, in view of the special circumstances of the matter or class of matters and for reasons to be recorded in writing, deems it necessary or expedient to depart from the procedure specified in these Regulations.

## **15. Power to Amend**

The Commission may from time to time add, vary, alter, suspend, modify, amend or repeal any provision of these Regulations.



By the order of the Commission

Sd/-

**Secretary**

**ANNEXURE- I**

Half yearly Formats to be submitted by State Agency to the Commission:

Name of the Obligated Entity: Financial Year:				
Quarter:				
Sl. No.	Particulars	Formula	Unit	Value
1.	Energy input in the system of obligated entities		MU	
2.	Total RPO Target		%	
3.	Total Renewable Energy Purchase requirement	1*2	MU	
<b><u>Target level of RPO</u></b>				
4.	WPO Target		%	
5.	Wind Power Purchase requirement	1*4	MU	
6.	HPO Target		%	
7.	Hydro Power Purchase requirement	1*6	MU	
8.	Distributed RE Obligation target		%	
9.	Distributed RE Purchase requirement	1*8	MU	
10.	Other RPO Target		%	
11.	Other RE Purchase requirement	1*10	MU	
<b><u>Source wise RPO Obligation</u></b>				
14.	Wind Power Purchase		MU	
15.	Surplus / Deficit in Wind Power Purchase (+/-)	14-5	MU	
16.	WPO Achievement	[If (15>0,100%, (15+if(18>0,min(15,18),0)))]/1	%	
17.	Hydro Power Purchase		MU/	
18.	Surplus / Deficit in Hydro Power Purchase (+/-)	17-7	MU	

19.	HPO Achievement	$\frac{[If (18 > 0, 100\%, (18 + if(15 > 0, min(15, 18), 0)))]}{1}$	%	
20.	Energy purchased from Distributed RE		MU	
21.	Surplus / Deficit in Distributed RE (+/-)	20-9	MU	
22.	Distributed RE Purchase achievement	20/1	%	
23.	Other RE purchase	a+b+c+d+e	MU	
a.	Bagasse		MU	
b.	Biomass		MU	
c.	Biogas		MU	
d.	Solar		MU	
e.	Surplus Wind/ Hydro beyond target level	Max(0, 16+18)	MU	
24.	Surplus / Deficit in Other RE purchase (+/-)	23-11	MU	
25.	Other RPO Achievement	23/1	%	
<b><u>RPO obligation (overall)</u></b>				
29.	<b>Total Renewable Energy Purchase Achievement</b>	<b>14+17+20+23</b>	<b>MU</b>	
30.	<b>Total RPO Achievement</b>	<b>29/1</b>	<b>%</b>	