

**ODISHA ELECTRICITY REGULATORY COMMISSION
BUDYUT NIYAMAK BHAWAN
PLOT NO.-4, CHUNOKOLI, SAILASHREE VIHAR
BHUBANESWAR - 751021

**Present: Shri U. N. Behera, Chairperson
 Shri S. K. Parhi, Member
 Shri G. Mohapatra, Member**

Case No. 63/2021

M/s. Dalmia Cement (Bharat) Ltd.	Petitioner
Vrs.		
OREDA	Respondents

In the matter of: **Application for direction to Odisha Renewable Energy Development Agency (OREDA), the Designated State Agency, regarding carry forward of the excess Renewable Energy Certificates (REC) procured based on OERC (Procurement of Energy from Renewable Sources and its Compliance) Regulations, 2015 and OERC Notification dated 31.12.2019 and utilization of solar generation at Medinipur plant to discharge RPO of Rajgangpur Cement Plant.**

For Petitioner: Shri Suryakanta Pati and Shri R. P. Mahapatra, the authorized representative of M/s. Dalmia Cement (Bharat) Limited.

For Respondent: Ms. Sujata Das, Verifier, OREDA.

ORDER

Date of Hearing: 24.08.2021

Date of Order: 27.10.2021

- The Petitioner - M/s. Dalmia Cement (Bharat) Ltd. is a manufacturer of Cement and Refractory (for Steel Plants) in its plant located at Rajgangpur, Sundergarh, Odisha. The Petitioner apart from drawing power from the DISCOM with a contract demand of 12 MVA is also operating 2X27 MW Captive Generating Plants (CGPs) commissioned in FY 2010-11 and FY 2011-12 and a 10 MW Waste Heat Recovery Boiler (WHRB) commissioned in FY 2017-18. The Petitioner also has a 5 MW captive solar PV power plant situated at Godapiasala, West Medinipur, West Bengal.
2. The Petitioner has submitted that it had previously filed a petition registered as Case No. 58/2017 to direct OREDA to consider the generation of its 5 MW captive solar PV power plant situated at Godapiasala, West Medinipur, West Bengal for meeting the Renewable Purchase Obligation (RPO) of its Cement plant situated at Rajgangpur, Sundergarh,

Odisha which draws power from its fossil fuel based captive power plant at Rajgangpur. In the Order dated 09.04.2019 in the above Case No. 58/2017, the Commission directed in Para 10 (a) that *“The solar generation at Medinipur of M/s. OCL can be utilised to discharge RPO of Rajgangpur cement plant of the same company”*. Moreover, the Petitioner had procured Solar and Non-solar Renewable Energy Certificates (RECs) for the year 2015-16 onwards to meet its RPO as per Regulation 4.2 of the OERC (Procurement of Energy from Renewable Sources and its Compliance) Regulation, 2015.

3. The Petitioner has further stated that it has filed a petition registered as Case No. 05/2020, based on OERC Notification dated 31.12.2019 regarding applicable RPO for CGPs where it has prayed before the Commission to direct OREDA to carry forward the excess RECs procured by the Petitioner for the period FY 2015-16 to FY 2018-19 towards the RPO of the Petitioner from the FY 2019-20 onwards. The Commission in its Order dated 21.08.2020 in Case No. 05/2020 issued the directives as under:

“6. Heard the parties at length. EIC (Electricity), Government of Odisha is directed to provide source-wise and year-wise consumption data since FY 2015-16 to OREDA. SLDC is also directed to furnish Open Access consumption data of the petitioner to OREDA. After obtaining the information, OREDA shall compute afresh the excess REC available with the petitioner. The petitioner is allowed to carry forward the excess REC so computed from FY 2019-20 onwards. In case the consumption data of the past years is not available with the EIC (Electricity) and SLDC or cannot be found out due to technical difficulties, then the declaration of the petitioner with regard to consumption shall be adopted as has been done by OREDA now.”

4. The Petitioner has further submitted that in view of the above Orders in Case no. 58/2017 and 05/2020, the Petitioner held discussions with OREDA regarding adjustment of the excess RECs procured as well as adjustment of the solar generation of the 5 MW Solar PV plant at Medinipur for meeting the RPO of the CGPs at Rajgangpur. During the discussions, OREDA intimated that all surplus RECs are to be consumed first and the generation of the solar PV plant at Medinipur is to be utilised towards RPO in the same year.
5. The Petitioner prays that from FY 2019-20 onwards, the generation of the 5 MW solar PV plant at Medinipur should be first taken into consideration for meeting the RPO of the Cement plant at Rangangpur. For the balance requirement of the RPO, surplus RECs available may be considered. Similar procedure may be adopted for FY 2020-21 onwards until all the surplus RECs procured by the Petitioner from the FY 2015-16 onwards gets

exhausted. Accordingly the Petitioner has prayed before the Commission to direct OREDA to take into consideration first the generation of the solar PV plant at Medinipur towards meeting the RPO of the Petitioner from the FY 2019-20 onwards and for the balance requirement, the surplus RECs available may be considered.

6. The Respondent – OREDA submitted that apart from CGP, the entity is also consuming power from Open Access as intimated by SLDC. The Petitioner is having its own 2.5 MW solar power plant under REC mechanism commissioned in 2014 at Biswali, Cuttack. Since no data has been received from EIC with regard to consumption of the Petitioner, OREDA has relied on the self declared data as per directions of the Commission in Case No. 05/2020 dated 21.08.2020. OREDA observed that total consumption from CGP (excluding auxiliary consumption) and through Open Access during 2011-12 to 2020-21 is 2706.41 MU. Number of RECs procured during the above period/ self retained from 2.5 MW solar power plant/ lying with the Petitioner from previous years is of the quantum of 136.85 MUs. Further, the total power generated by 5 MW solar power plant during the above mentioned period that can be utilized for discharging RPO against the consumption at Rajgangpur plant is 2.95 MUs. The total quantum of RECs required to discharge the above RPO is 99.96 MUs and the balance RECs of 36.89 MUs can be carried forwarded. OREDA further submitted that RECs have a validity period of 1095 days only. Therefore any carry forward may be permitted within the said validity period only.
7. Heard the Parties. The Commission observed that the Petitioner is operating its CGPs in Rajgangpur, Odisha and also has a 5 MW captive solar PV power plant situated at West Medinipur, West Bengal and a 2.5 MW solar power plant under REC mechanism at Biswali, Cuttack. The Commission in its Order dated 09.04.2019 in Case no. 58/2017 has directed that the solar generation at Medinipur can be utilized to discharge RPO of Rajgangpur cement plant of the same company. Further, on request of the Petitioner for carry forward of excess RECs procured between FY 2015-16 to FY 2018-19 towards RPO of FY 2019-20 onwards, the Commission in its Order dated 21.08.2020 in Case No. 05/2020 has allowed carrying forward of the excess RECs from FY 2019-20 onwards. It may be noted that the Commission has allowed carrying forward of excess RECs but did not allow any carry forward for the solar generation from one year to another for the 5 MW captive solar PV power plant situated in West Bengal.

8. In view of the above, the Commission has decided that the solar generation from the 5 MW captive solar PV power plant of the Petitioner situated in West Bengal shall be accounted first and shall be used for RPO compliance of the Petitioner's plant in Rajgangpur for the same year starting from 2019-20 onwards. After accounting for the above solar generation for every year, the remaining RPO shall be met by the surplus RECs available with the Petitioner. Accordingly, OREDA is directed to follow the above process for calculation of RPO compliance of the Petitioner's cement plant in Rajgangpur, Odisha. OREDA is further directed to verify the validity of the excess RECs. Only those RECs that are within the validity period shall be allowed for carry forward to subsequent years.
9. The case is accordingly disposed of.

Sd/-
(G. Mohapatra)
Member

Sd/-
(S. K. Parhi)
Member

Sd/-
(U. N. Behera)
Chairperson