

**ODISHA ELECTRICITY REGULATORY COMMISSION
BIDYUT NIYAMAK BHAWAN
PLOT NO.-4, CHUNUKOLI, SHAILASHREE VIHAR
BHUBANESWAR - 751 021**

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

Case No. 03/2020

M/s. Hindalco Industries Limited Petitioner

Vrs.

M/s. OREDA Respondent

In the matter of: Application under Clauses 12.5 to 12.7 of the OERC (Procurement of Energy from Renewable Sources and its Compliance) Regulations, 2015 read with Clause 4.1 & 4.2 of the said Regulation along with Clause 3 of the OERC Notification dated 31.12.2019 seeking permission to carry forward the excess REC purchased in order to comply with its future obligation under OERC RPO Obligation during FY 2015-19.

**For Petitioner: Shri Suresh Chandra Das, V.P.(Corporate Affairs)
 Shri V. R. Shankar.**

**For Respondent: Shri A. K. Choudhury, Joint Director, OREDA(Technical
 Division-II).**

ORDER

Date of hearing: 28.07.2020

Date of order:10.09.2020

The present petitioner is a manufacturer of aluminium and related products having two plants namely Hindalco Industries Ltd. located at Hirakud and its sister Aditya Aluminium Ltd. at Lapanga in WESCO Utility area. Hindalco Industries Ltd. has five units of CGPs having total capacity of 467.5MW at Hirakud which were commissioned before 2015-16. The first Unit of CGP of Hindalco Industries Ltd. with capacity of 67.5 MW was commissioned on July, 1993. Subsequently other four units with capacity of 100 MW each were commissioned on 31.3.2005, 03.09.2006, 28.03.2008 and 13.06.2013 respectively. Aditya Aluminium Ltd. at Lapanga has six units of CGPs having total capacity of 900MW. All the six units with capacity of 150

MW each were commissioned on 28.12.2013, 26.03.2014, 31.10.2014, 06.04.2015, 10.02.2016 and 23.12.2016 respectively.

2. The petitioner had procured Solar and Non-solar Renewable Energy Certificates to meet its renewable power obligation for different financial years based on Regulation 4.2 of the OERC (Procurement of Energy from Renewable Sources and its Compliance) Regulations, 2015. The Renewable Procurement Obligation was varying from 3% to 11% of the total consumption under that Regulation during that period.
3. Subsequently, the Commission in its notification No. OERC/RA/RE-5/2013 dt. 31.12.2019 exercising powers under OERC (Procurement of Energy from Renewable Sources and its Compliance) Regulations, 2015 had directed as follows:

- (i) The CGPs which are commissioned before 01.04.2016, the RPO for them shall be pegged as prescribed in the above Regulation for FY 2015-16 and shall be as follows:*

<i>Solar sources (%)</i>	<i>Non-solar sources (%)</i>	<i>Total (%)</i>
<i>0.50</i>	<i>2.50</i>	<i>3.00</i>

- (ii) For CGPs commissioned from 01.04.2016 onwards, the RPO shall be pegged at the level of the year of commissioning as mandated by the OERC under OERC (Procurement of Energy from Renewable Sources and its Compliance) Regulations, 2015.*
4. Considering the above notification of the Commission, the petitioner has submitted that they have procured excess RECs both Solar and Non-solar during the period from September, 2015 (FY 2015-16) till December, 2019 (FY 2018-19). Therefore, the petitioner prays that OREDA be directed to carry forward the excess RECs procured by them during the above period towards future Renewable Purchase Obligation (RPO) i.e. from the period FY 2019-20 onwards.
5. In its reply, the state designated agency, OREDA has stated that the Petitioner has two aluminium plants one at Hirakud and another at Lapanga and the Petitioner seeks permission to carry forward the excess RECs purchased for the above two plants for adjustment against their future obligations. Hindalco industries has submitted that though the present petition has been filed for both the plants together, they have been identified as separate obligated entities under OERC Renewable Regulations, 2015. The Hindalco Industry, Hirakud have 288453 nos. of excess RECs pursuant to the amendment to RPO Regulations, 2015. In case of Aditya Aluminium Ltd., out of the six nos. of CGP units, the 6th unit has been commissioned after FY 2015-16. The EIC (Electricity) has provided the combined consumption data for the entire 900 MW

Plant of Aditya Aluminium Limited though the last CGP unit has been commissioned after 01.04.2016. Apart from CGPs, the entity is also consuming power through Open Access. Therefore OREDA is unable to compute the consumptions from individual units and the quantum of obligation thereof in respect of Aditya Aluminium Limited. However, the Petitioner has purchased a total of 1186994 RECs for Aditya Aluminium Limited. OREDA has prayed the Commission to direct the EIC (Electricity) to furnish the year-wise (since September, 2015) consumption data of all the units separately and also seeks direction to SLDC to provide them Open Access data of both the obligated entities. They have no objection if the Commission allows carry forward of RECs procured during FY 2015-16 to FY 2019-20 for its adjustment against the requirement in the subsequent years.

6. Heard the parties at length. At the outset we make it clear that for OERC (Procurement of Energy from Renewable Sources and its Compliance) Regulations, 2015 purposes Hindalco Industry and Aditya Aluminium Ltd. are two different obligated entities having CGP. OREDA has not been able to compute RPO requirement in view of non-availability of consumption data for Aditya Aluminium Ltd. Open Access data is also not available with OREDA.
7. Considering the reply of OREDA, we direct EIC (Electricity), Government of Odisha to provide source-wise and year-wise consumption data since FY 2015-16 to OREDA in respect of both the plants of the Petitioner. SLDC is also directed to furnish Open Access consumption data of both the plants 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 as per regulation 12.6 of OERC Regulation. 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 being done by OREDA in some cases.
8. With this direction, the case is disposed of.

Sd/-
(G. Mohapatra)
Member

Sd/-
(S. K. Parhi)
Member

Sd/-
(U. N. Behera)
Chairperson