

# Lr. No.CE/SLDC /REC/F.RPPO/D.No. 184 /23, Dt: 23.06.2023

Sir,

- Sub: TSSLDC Proposal for Remuneration and Charges payable to State Agency for discharge of its functions under RPPO Regulation No. 7 of 2022. – Reminder for Approval – Requested – Reg.
- Ref:- 1) Hon'ble TSERC, RPPO regulation No. 7 of 2022, Dt: 04.04.2022.
  2) Lr. No.CE/SLDC /REC/F.RPPO/D.No. 478/22, Dt: 10.11.2022.

In the letter vide ref. (2) cited above, TSSLDC proposed remuneration and charges payable to the State Agency (TSSLDC) for discharge of its functions under RPPO Regulation No. 7 of 2022 and requested for approval of Hon'ble TSERC.

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As per clause 6(6) of TSERC RPPO Regulation No. 7 of 2022, Dt: 01.04.2022:

"Remuneration and Charges: The Commission may from time to time based on the proposal in this regard from the State Agency fix the remuneration and charges payable to the State Agency for discharge of its functions under this Regulation. The fee and charges paid by the obligated entities and the renewable energy generating companies shall be collected by the State Agency and utilized for its operations in respect of furthering objects of this Regulation.

Explanation: The words for its operation would include both technical and administrative action for carrying out the purpose of this Regulation"

The following proposals for remuneration and charges payable to the State Agency (TSSLDC) were made as per the current charges being collected from RE Generators for the REC Accreditation as per the CERC order Dt. 09.12.2022 in petition no 15/SM/2022 since

the scope of work to be carried out by the State Agency (TSSLDC) under TSERC RPPO Regulation No. 7 of 2022 is similar in nature as that of REC Accreditation work.

- i) Every RPPO Obligated entity shall pay the 'One time Charge' at the rate of Rs. 30000/-.
- Every RPPO Obligated Entity shall pay an 'Annual Charge' at the rate of Rs.10000/-.
   The 'Annual Charges' shall be payable by 30th April of every year.
- iii) The taxes and duties on fee and charges shall be applicable as per prevailing norms.
- iv) In case the Obligated entity does not pay any charges for any specific year to the State Agency for discharging its functions under RPPO regulation, the status of the RPPO compliance of that Obligated entity shall not be computed. Further, its RPPO compliance will be treated as unfulfilled for that specific year and the same will be informed to Hon'ble TSERC for imposing suitable penalty for not paying the RPPO One time and Annual charges.

Till to date no directions have been received from Hon'ble TSERC in this regard.

Hence, it is once again requested for the approval of the above proposals for collecting remuneration and charges by TSSLDC.

Encl:- Copy of ref. (2)

Yours faithfully

**Chief Engineer/TSSLDC** 

**Copy Submitted to:** The Director (Grid Operations)/ TSTRANSCO

for favour of information.

#### TRANSMISSION CORPORATION OF TELANGANA LIMITED



## VIDYUT SOUDHA :: HYDERABAD-82

Website: www.tstransco.in CIN No: U40102TG2014SGC094248

| From             | 1       |
|------------------|---------|
| The Chief Engine | er/SLDC |
| TSTRANSCO,       | 1       |
| Vidyut Soudha,   |         |
| Hyderabad.       |         |

**To** The Commission Secretary, TSERC, 5<sup>th</sup> Floor, Singareni Bhavan Red Hills. Lakdikapool Hyderabad – 500 004

# Lr. No.CE/SLDC /REC/F.RPPO/D.No. 478 /22, Dt: 10.11.2022

Sir,

Sub: - TSSLDC – Proposal for Remuneration and Charges payable to State Agency for discharge of its functions under RPPO Regulation No. 7 of 2022, Dt:04.04.2022 – Submitted - Approval – Requested – Reg.

Ref:- 1) Hon'ble TSERC, RPPO regulation No. 7 of 2022, Dt: 04.04.2022.

#### \*\*\*\*\*\*

 As per clause 6(6) of TSERC RPPO Regulation No. 7 of 2022, Dt: 01.04.2022:

<u>"Remuneration and Charges:</u> The Commission may from time to time based on the proposal in this regard from the State Agency fix the remuneration and charges payable to the State Agency for discharge of its functions under this Regulation. The fee and charges paid by the obligated entities and the renewable energy generating companies shall be collected by the State Agency and utilized for its operations in respect of furthering objects of this Regulation.

<u>Explanation</u>: The words for its operation would include both technical and administrative action for carrying out the purpose of this Regulation"

- 2. In this regard, the following is submitted:
  - a) Based on the CERC order Dt:21.09.2010, Hon'ble APERC issued an order Dt: 17.04.2012 in the matter of "Fixation of remuneration and charges payable to State agency for discharge of its functions under RPPO regulations, 2012 and fixed the following charges for **REC Accreditation**:

(i)One time Application Processing Fees – Rs. 5000/- per application.

(ii)One time Accreditation Charge – Rs. 30000/- per application.(iii)Annual Charge – Rs.10000/- per application.

(iv)Revalidation - Rs. 15000/- per application at the end of 10 years.

And the same has been adopted by TSERC and the above charges are being collected from RE generators towards REC Accreditation.

- b) Since the scope of work to be carried out by the State Agency (TSSLDC) under TSERC RPPO Regulation No. 7 of 2022, is similar in nature as that of REC accreditation work, TSSLDC is proposing similar charges payable to State Agency for discharge of its functions under the RPPO Regulation 7 of 2022::
  - Every RPPO Obligated entity shall pay the 'One time Charge' at the rate of Rs. 30000/-.
  - ii) Every RPPO Obligated Entity shall pay an 'Annual Charge' at the rate of Rs.10000/-. The 'Annual Charges' shall be payable by 30<sup>th</sup> April of every year.
  - iii) The taxes and duties on fee and charges shall be applicable as per prevailing norms.
  - iv) In case the Obligated entity does not pay any charges for any specific year to the State Agency for discharging its functions under RPPO regulation, the status of the RPPO compliance of that Obligated entity shall not be computed. Further, its RPPO compliance will be treated as unfulfilled for that specific year

and the same will be informed to Hon'ble TSERC for imposing suitable penalty for not paying the RPPO One time and Annual charges.

3. The above proposal is herewith submitted for perusal and approval.

Yours faithfully Chief Engineer/TSSLDC

### Copy Submitted to:

The Director (Grid Operations)/ TSTRANSCO - for favour of information.



Noten 45/2023



केन्द्रीय विद्युत विनियासक आयोग Central Electricity Regulatory Commission



# नई दिल्ली NEW DELH

याचिका संख्या./ Petition No. 15/SM/2022

कोरम/ Coram:

श्री आई. एस. झा, सदस्य/ Shri. I.S. Jha, Member श्री अरुण गोयल, सदस्य/ Shri. Arun Goyal, Member श्री पी. के. सिंह, सदस्य / Shri P.K. Singh, Member

आदेश दिनांक/ Date of Order: 09.12.2022

#### IN THE MATTER OF

Determination of Fee and Charges payable under Regulation 15 of the Central Electricity Regulatory Commission (Terms and Conditions for Recognition and Issuance of Renewable Energy Certificate for Renewable Energy Generation) Regulations, 2022.

#### ORDER

The Commission notified the Central Electricity Regulatory Commission (Terms and Conditions for Recognition and Issuance of Renewable Energy Certificate for Renewable Energy Generation) Regulations, 2022 (hereinafter referred to as 'REC Regulations') on 09.05.2022. By virtue of clause (1) of Regulation 3 of the REC Regulations, this Commission has designated the National Load Despatch Centre as the Central Agency to perform the functions under clause (2).

2. Regulation 3(2) of the REC Regulations provides the functions of the Central Agency as under:

- i. undertake registration of eligible entities,
- ii. develop a mechanism for accounting of generation and sale in respect of Certificates;
- iii. undertake issuance of Certificates,
- iv. maintain and settle accounts in respect of Certificates,

- v. act as repository of transactions in Certificates,
- vi. maintain Registry of Certificates,

vii. perform such other functions incidental to sub-clauses (i) to (vi) of this clause,

viii. undertake any other function that may be assigned by the Commission

3. Regulation 15 of the REC Regulations empowers the Commission to determine by order, based on the proposal in this regard from the Central Agency, the fees and charges payable by the eligible entities for participation in the scheme for accreditation, registration, issuance of certificates, and other matters connected therewith. The relevant portion of the REC Regulations is extracted as under:

## "15. FEES and CHARGES

The Commission may, based on the proposal from the Central Agency, determine the fees and charges payable by the eligible entities for accreditation, registration, issuance of Certificates and other matters connected therewith."

4. In accordance with the above Regulation, the Central Agency submitted a proposal through communication dated 7<sup>th</sup> October, 2022 for the determination of the fees and charges payable by the eligible entities for accreditation, registration, issuance of certificates and other matters connected therewith.

5. Central Registry in its proposal has highlighted that the expenditure towards Central Agency's responsibility for REC mechanism is not covered through RLDC Fees and charges and these charges are determined and recovered through separate orders of the Commission from time to time, based on the proposal in this regard from the Central Agency.

6. According to the proposal expenditure likely to be incurred by the Central Agency towards discharging its functions as described in the REC Regulations 2022 can be categorised under the following heads:

- i. Development of REC Web Application
- ii. Comprehensive AMC charges of REC Web Application
- iii. Server co-location charges/ Cloud Server Space charges
- iv. Expenditure towards Cyber Security Compliance
- v. Manpower Expenses
- vi. Legal Expenses

- vii. Expenditure towards Compliance Audit
- viii. Capital Expenditure towards IT infrastructure upgradation
- ix. Miscellaneous expenses

7. Central Agency has highlighted that a complete upgradation of REC Web application would require conforming the same with the REC Regulations 2022 and would require exclusive expenditure towards Cyber Security infrastructure and audit compliance to comply with Government of India's thrust towards Cyber security.

8. It is also highlighted that as per the REC Regulations 2022 the registration granted by the Central Agency to the eligible entities shall remain valid for a period of 25 years which will further reduce the fees received towards the revalidation of registration charges.

9. The proposal also includes fees and charges for accreditation by RLDCs as per the Regulations 6 (2) of the REC Regulations 2022 for accreditation of eligible entities connected to inter-State transmission system.

10. The Central Agency in its proposal has provided audited accounts of income and expenditure statement and balance sheet pertaining to REC mechanism for FY 2020-21 and FY 2021-22 and highlighted that it has suffered recurrent loss of Rs. 55.86 Lakhs and Rs. 50.09 Lakhs in the previous FY 21 and FY 22 respectively.

- 11. Following table has been proposed by POSOCO:
  - a) Fees and Charges applicable to the service of the Central Agency
  - b) Fees and Charges applicable to the service of the RLDC

| â     | a) Fees and Charge          | es applicable | e to the service | of the Central Agency |  |
|-------|-----------------------------|---------------|------------------|-----------------------|--|
| S.No. | S.No. Fees and Charges Head |               | Existing         | Proposed Fee (Rs.)    |  |
|       |                             |               | Fees (Rs.)       |                       |  |
| 1     |                             | egistration   | 1000             | 10000                 |  |
|       | Processing Fees             |               |                  |                       |  |
| 2     | One-time R<br>charges       | egistration   | 5000             | 25000                 |  |

| 3 | Annual Charges          | for | 1000 | 10000                |
|---|-------------------------|-----|------|----------------------|
|   | Registration            |     |      |                      |
| 4 | Fees for Charges        | for | 2    | Rs 5 till FY 2025-26 |
|   | issuance of certificate |     |      |                      |
|   |                         |     |      | Rs. 7.50 from FY     |
|   |                         |     |      | 2026-27 to FY 2027-  |
|   |                         |     |      | 28                   |
|   |                         |     |      |                      |
|   |                         |     |      | Rs. 10 for FY 2028-  |
|   |                         |     |      | 29 onwards           |

| b) Fees and Charges applicable to the service of the RLDC |                   |                  |              |  |
|---|-------------------|------------------|--------------|--|
| S.No.   | Details           | Existing Fee for | Proposed Fee |  |
|   |                   | State Agency     | for RLDC     |  |
|   |                   | (Rs.)            | (Rs.)        |  |
| 1   | One-time          | 5000             | 10000        |  |
|   | Accreditation     |                  |              |  |
|   | Processing Fees   |                  |              |  |
| 2   | One-time          | 30000            | 30000        |  |
|   | Accreditation     |                  |              |  |
|   | Charges           |                  |              |  |
| 3   | Annual Charge     | 10000            | 10000        |  |
|   | for Accreditation |                  |              |  |

## Analysis and Decision:

- 12. The Commission has examined the proposal submitted by the Central Agency for the determination of the fees and charges payable by the eligible entities for accreditation, registration, issuance of certificates and other matters connected therewith.
- 13. National Load Despatch Centre (NLDC) and Regional Load Despatch Centers (RLDCs) are statutory bodies set up under Section 26 and Section 27 of the Electricity Act 2003 respectively. NLDC and RLDCs are being operated by Grid

Controller of India Limited (Grid-India) (earlier known as Power System Operation Corporation Limited (POSOCO).

- 14. The Commission through Orders dated 21.09.201, 05.02.2014, 28.12.2016 and 30.04.2021 has determined fees and charges, to be paid by the eligible entities to the Central Agency. A summary of the applicable fees and charges at present is as follow:
  - i. Application Processing Fees (One Time) Rs. 1000
  - ii. Registration Charges (One Time) Rs 5000
  - iii. Annual Charges Rs 1000
  - iv. Revalidation Charge Rs 5000
  - v. REC Issuance Fees Rs 2 per Certificates
- 15. The issuance fee per certificate which forms the major component, has been revised by the Commission from time to time:

| Туре         | CERC Order | CERC Order | CERC Order | CERC Order |
|--------------|------------|------------|------------|------------|
|              | dated      | dated      | dated      | dated      |
|              | 21.09.2010 | 05.02.2014 | 28.12.2016 | 30.04.2021 |
| REC issuance | Rs 10      | Rs 4       | Rs 2       | Rs 2       |
| Fee per      |            |            |            |            |
| Certificate  |            |            |            |            |

- 16. The Commission noted the upgradation required in REC Web application to conform with the REC Regulations 2022 and with the need for Cyber Security. It is also observed that as per Regulation 6(2) pf the REC Regulations 2022, the accreditation of the eligible entities connected to the inter-State transmission system would be granted by the RLDCs of the region in which such eligible entities are located.
- 17. After scrutiny of the audited REC Accounts of the Central Agency, including the income and expenditure statements as well as the accumulated surplus position, the Commission directs as follows:
  - A) Fees and Charges applicable to the service of Central Agency:

| Sr | Head                  | Details                    | Amount in Rs. |
|----|-----------------------|----------------------------|---------------|
| No |                       |                            |               |
| 1  | One-time Registration | Payable at the time of     | 10,000/-      |
|    | Processing Fees       | submitting the application |               |
|    |                       | for Registration to the    |               |
|    |                       | Central Agency             |               |
| 2  | One time Registration | Payable upon grant of      | 25,000/-      |
|    | Charges               | Registration               |               |
| 3  | Annual Charges for    | Payable at the time of     | 10,000/-      |
|    | Registration          | Registration and by April  |               |
|    |                       | 10th for each subsequent   |               |
|    |                       | fiscal year                |               |
| 4  | Fees for issuance of  | Payable for issuance of    | 5 per         |
|    | Certificate           | Certificates (@ per        | certificate   |
|    |                       | Certificate)               |               |

# B) Fees and Charges applicable for the Services of the RLDCs

| Sr No | Head                                      | Details   | Amount in Rs. |
|-------|---|---|---------------|
| 1     | One-time Accreditation<br>Processing Fees | Payable at the time of submitting the application for Accreditation   | 10,000/-      |
| 2     | One-time Accreditation<br>Charges         | Payable upon grant of<br>Accreditation  | 30,000/-      |
| 3     | Annual Charges for<br>Accreditation       | Payable at the time of<br>Accreditation and by April 10 <sup>th</sup><br>for each subsequent fiscal<br>year | 10,000/-      |

- 18. The above Fees and charges as approved by the Commission through this Order shall be payable by the eligible entities participating in the REC Mechanism and shall remain in force until further orders.
- 19. The petition is disposed of in terms of above.

| Sd/-                         | Sd/- | S                           | Sd/-                  |  |
|------------------------------|------|-----------------------------|-----------------------|--|
| (Pravas Kr. Singh)<br>Member |      |                             | (I. S. Jha)<br>Member |  |
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