

RENEWABLE ENERGY CERTIFICATE

Renewable Energy Certificate (REC) Mechanism is a market based instrument to promote Renewable Energy and facilitate Renewable Purchase Obligation with the aim to address the mismatch between the availability of RE sources in the State and requirement of obligated entities to meet the RPO.

RE Generator will have two options

- i) either to sell the renewable energy at preferential tariff or
- ii) to sell electricity generation and environmental attributes associated with RE generations separately. The environmental attributes can be exchanged in the form of Renewable Energy Certificate.

A generating company engaged in generation of electricity from RE sources shall be eligible to apply for issuance of certificates

- (i) **if it does not have PPA for the capacity related to such generation to sell electricity at a preferential tariff determined by the appropriate commission,**
- (ii) it sells electricity **to any distribution licensee at a price not exceeding the pooled cost of power purchase of such distribution licensee** or to any other licensee or to an open access consumer at a mutually agreed price.

Also the **Captive Power Producer** (CPP) based on Renewable Energy shall be eligible for the entire energy generated from such plant including self consumption for participation in REC scheme provided that such CPP has not availed or proposed to avail any benefit the form of concessional /promotional transmission or wheeling charges, banking facility benefit and waiver of electricity duty.

As per these regulations, CERC shall appoint a **Central Agency which shall issue detailed procedure for registration of eligible entities, verification of generation of electricity for issuance of certificates** and other relevant and residual matters. In this regard, **National Load Dispatch Centre has been notified as Central Agency**. Central Agency would issue REC to RE generator for specified quantity of electricity injected into the grid.

There shall be two categories of certificates i.e. **Solar Certificates and Non-Solar Certificates**.

The generating company shall apply for registration for issuance of and dealing in certificates after it has obtained accreditation from the **State Agency**.

The certificate once issued shall remain valid for One Thousand & Ninety Five Days days from the date of issue of such certificate.

The detail information for REC mechanism can be view on www.recregistryindia.nic.in