

UTTARAKHAND ELECTRICITY REGULATORY COMMISSION

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No. UERC/6/TF-139/12-13/2013/

Date: March, 2013

To,

M/s Bajaj Motors Ltd., Plot No. 41, Sector-11, Tata Vendor Park, IIE SIDCUL, Pantnagar

Show Cause Notice

Sub.: Non-Compliance by Obligated Entities under UERC (Tariff and Other Terms for Supply of Electricity from non-conventional and Renewable Energy Sources) Regulations, 2010 and UERC (Compliance of Renewable Purchase Obligation) Regulations, 2010.

Whereas, Regulation 9 of UERC (Tariff and Other Terms for Supply of Electricity from Non-conventional and Renewable Energy Sources) Regulations, 2010 specifies the Renewable Purchase Obligation (RPO) target to be met by the obligated entity for procuring the solar & non-solar renewable energy.

Whereas Regulation 4.1 of UERC (Compliance of Renewable Purchase Obligation)
Regulations, 2010 specifies as under:

4.1 Subject to the terms and conditions contained in these regulations the certificates issued under the CERC (Terms and Conditions for recognition and issue of Renewable Energy Certificate for Renewable Energy Generation) Regulations, 2010, 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.

Whereas Regulation 7(1) of UERC (Compliance of Renewable Purchase Obligation) Regulations, 2010 specifies as under:

"7.1 If the Obligated Entity does not fulfill its commitment towards Renewable Purchase Obligation during any year as provided under UERC (Tariff and Other Terms of Supply of Electricity from Co-generation and Renewable Energy Sources) Regulations 2010, and also does not purchase adequate certificate for meeting the shortfalls, the Commission may direct the Obligated Entity to deposit into a separate RPO Fund such amount as the Commission may determine on the basis of the shortfall in units of RPO, Preferential Tariffs applicable in the State and forbearance price as decided by Central Commission."

Whereas Regulation 7(2) of UERC (Compliance of Renewable Purchase Obligation)
Regulations, 2010 specifies as under:

"7.2 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 be liable for penalty as may be decided by the Commission under section 142 of the Act notwithstanding its liability for any other action under prevailing lates."

Whereas Clause 5.2(h) & (i) of Procedure under the UERC (Compliance of Renewable Purchase Obligation) Regulation, 2010 for Accreditation of RE Generation Project by State Agency specifies as under:

"(h) Every Obligated Entity as per the meaning of the UERC (Compliance of Renewable Purchase Obligation) Regulation, 2010 shall submit the information as per the 'Forms' given under Annexure-1 for reporting of the Yearly Estimated RE requirement, Quarterly RPO Compliance and Yearly RPO compliance. The yearly estimated requirement as per Form I A and I B shall be submitted on or before 15th March for the ensuing year. Quarterly RPO compliance statement as per Form II A and II B shall be submitted within 15 days from end of each Quarter of the year while Yearly RPO Compliance statement as per Form III A and III B shall be submitted on or before 25th April of each year.

(i) Every Obligated Entity shall under an affidavit submit a copy of RECs purchased, if any, to the State Agency and UERC at the end of each quarter."

It appears that you have failed to meet commitment towards RPO by not purchasing either the renewable energy or the Renewable-Energy Certificate (RECs) for meeting the shortfalls, as mandated in UERC (Compliance of Renewable Purchase Obligation) Regulations, 2010 and that you have also defaulted by not submitting the information required under the Procedure under the UERC (Compliance of Renewable Purchase Obligation) Regulation, 2010 for Accreditation of RE Generation Project by State Agency.

Therefore, you are required to show cause and explain as to why appropriate action should not be taken in accordance with the provision of Section 142 read with Section 146 of the Electricity Act, 2003 for non-compliance of "UERC (Tariff and Other Terms for Supply of Electricity from non-conventional and Renewable Energy Sources) Regulations, 2010" and "UERC (Compliance of Renewable Purchase Obligation) Regulations, 2010." The reply in the matter should be submitted on affidavit before the Commission by 21.03.2013.

Yours sincerely,

(Neeraj Sati) Secretary