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Bihar Electricity Regulatory Commission

NOTIFICATION

28th July 2025

Bihar Electricity Regulatory Commission (Renewable Purchase Obligation, its Compliance and REC Framework Implementation) Regulations, 2025

No.-BERC-04—In exercise of powers conferred under sections 61, 66, 86(1)(e) and 181 of the Electricity Act, 2003 (36 of 2023) and all other powers enabling it in this behalf and also in compliance of Ministry of Power, Govt. of India notification no. S.O. 4617(E) dated 20th October 2023 notifying Renewable Purchase Obligation trajectory till 2029-30 for share and type of consumption from different non-fossil fuel sources (renewable energy) and after previous publication, the Bihar Electricity Regulatory Commission (hereinafter referred to as 'BERC' or 'Commission') hereby makes the following Regulations namely:

1. Short Title and Commencement

- 1.1 These Regulations may be called the Bihar Electricity Regulatory Commission (Renewable Purchase Obligation, its Compliance and REC Framework Implementation) Regulations, 2025.
- 1.2 These Regulations shall come into force from the date of their publication in the Bihar Gazette.

1.3 These Regulations shall extend to the whole of the State of Bihar.

2. Definitions and Interpretation

2.1 In these Regulations, unless the context otherwise requires,

- a) 'Act' means the Electricity Act, 2003 (Act No.36 of 2003) and subsequent amendment thereof;
- b) 'Area of Supply' means the area within which the distribution licensee is authorized to supply electricity;
- c) 'Central Agency' means the agency operating the National Load Dispatch Centre or such other agency as the Central Commission may designate from time to time;
- d) 'Central Commission' means the Central Electricity Regulatory Commission referred to in sub section (1) of section 76 of the Act;
- e) 'Certificate' means the renewable energy certificate issued by the Central Agency in accordance with the procedures prescribed by it and under the provisions specified in the Central Electricity Regulatory Commission (Terms and Conditions for recognition and issuance of Renewable Energy Certificate for Renewable Energy Generation) Regulations, 2022; and subsequent amendments thereof;
- f) 'Commission' means the Bihar Electricity Regulatory Commission;
- g) 'Distributed Renewable Energy' means the electricity fed into the electric system at a voltage level of below 33 KV using rooftop solar PV system [or such other forms of renewable sources as may be approved by the Commission from time to time or as recognized by the Ministry of New and Renewable Energy, Government of India]
- h) 'Distribution Licensee' means a licensee authorized to operate and maintain a distribution system for supplying electricity to the consumers in his area of supply;
- i) "Green Energy" means the electrical energy from renewable sources of energy including hydro and storage (if the storage uses renewable energy) or any other technology as may be notified by the Government of India from time to time and shall also include any mechanism that utilises green energy to replace fossil fuels including production of green hydrogen or green ammonia as per provision of clause G of sub-rule (2) of rule 4 of Electricity (Promoting Renewable Energy Through Green Energy Open Access), Rules 2022

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- j) 'Obligated Entity' means the distribution licensee, consumer(s) owning the captive power plants and Open Access Consumer(s) in the state of Bihar which is mandated to fulfill renewable purchase obligation under these Regulations;
 - k) 'Open Access Consumer' means a consumer availing Open Access under subsection (2) of section 42 of the Act;
 - l) 'Person' shall include any company or body corporate or association or body of individuals, whether incorporate or not, or artificial juridical person;
 - m) 'Power Exchange' means any exchange operating as the power exchange for electricity in terms of the orders issued by the Central Commission;
 - n) 'Prosumer' means a person who consumes electricity from the grid and can also inject electricity into the grid for distribution licensee, using same point of supply;
 - o) 'Quantum of Purchase' means percentage share of total purchase of electricity from renewable energy sources as specified in these Regulations. The quantum would be the sum of all direct purchases from generating stations based on renewable energy sources, purchase from any other licensee and Power purchased from exchange which would arise from renewable energy sources.
 - p) 'Renewable Energy Sources' means non-conventional or renewable electricity generating sources such as Hydro Power Projects [including Pump Storage Projects (PSPs) and Small Hydro Projects (SHPs)], wind, solar, biomass including husk and bagasse based cogeneration, urban/municipal solid waste, or such other sources, (which are generally inexhaustible and can be replenished in a short period of time) as approved by the Ministry of New and Renewable Energy, Government of India or by the state of Bihar;
 - q) Renewable Purchase of Obligation (RPO): RPO is a requirement specified by BERC u/s 86(1)(e) of the Electricity Act for the obligated entities, to purchase minimum level of renewable energy out of total consumption of electricity by the obligated entities.
Explanation: Consumption of Electricity shall mean energy input in the system of obligated entities at its boundary.
 - r) 'Small Hydro Projects' means a hydropower project with an installed capacity up to and including 25 MW or, as defined by the

Government of India, from time to time at a single location;

- s) 'State' means the state of Bihar;
- t) 'State Agency' means Bihar Renewable Development Agency (BREDA);
- u) 'Supply' in relation to electricity, means the sale of electricity to a licensee or a consumer;
- v) 'Year' means a financial year.

2.2 The words and expressions used and not defined in these Regulations but defined in the Act shall have meanings assigned to them in the Act. Expression used herein but not specifically defined in these Regulations or in the Act but defined in any other Regulations, Rules issued by the appropriate authority shall have the same meaning assigned to them.

3. Applicability of Renewable Purchase Obligation

3.1 These Regulations shall be applicable to all Obligated Entity such as:

- I) Distribution licensee
- II) Any other person consuming electricity.
 - (a) generated from conventional Captive Generating Plant having capacity of 1MW and above for his own use.
 - (b) through cogeneration from sources other than renewable sources.
 - (c) By procurement from conventional electricity generation through Open Access and for third party sale.

Provided that for such obligated entities who are availing power partly through open access/captive plant and partly through discoms, the RPO shall be applicable to the extent of consumption of electricity from sources other than distribution licensee concerned.

4. Renewable Purchase Obligation

4.1 Every Obligated Entity shall at-least purchase following source wise energy from Renewable Sources as specified below: -

Financial Year	Wind RPO	Hydro Power Obligation (HPO)	Distributed renewable energy	Other RPO	Total RPO
2025-26	1.45%	1.22%	2.10%	28.24%	33.01%
2026-27	1.97%	1.34%	2.70%	29.94%	35.95%
2027-28	2.45%	1.42%	3.30%	31.64%	38.81%
2028-29	2.95%	1.42%	3.90%	33.10%	41.36%
2029-30	3.48%	1.33%	4.50%	34.02%	43.33%

The Renewable Power Obligation will be on total consumption of electricity by the Obligated Entity as below:

- (a) The wind renewable energy component shall be met by energy produced from Wind Power Projects (WPPs) commissioned after the 31st of March 2024.

Provided that any shortfall in achievement of 'Wind RPO' in a particular year may be met with hydro renewable energy which is in excess of that energy component for that year and vice-versa.

- (b) Hydro Power Obligation (HPO) shall be met only by energy produced from **Hydro Power Projects [including Pump Storage Projects (PSPs) and Small Hydro Projects (SHPs)], commissioned after the 31st March, 2024;**

Provided that, HPO obligation of the state/DISCOM may be met out of the free power being provided to the state of Bihar from the Hydro Power Projects commissioned after the 31st March, 2024.

Provided further that the hydro renewable energy component may also be met from Hydro Power Projects located outside India as approved by the Central Government on a case-to-case basis.

In case, the free power mentioned above is insufficient to meet the HPO obligations, then the Obligated Entity would have to buy the additional hydro power to meet its HPO obligation or may have to buy corresponding amount of Renewable Energy Certificate corresponding to such shortfall in Hydro Power.

- (c) The distributed renewable energy component shall be met only from the energy generated from renewable energy projects that are less than 10 MW in size and shall include solar installations under all configurations (net metering, gross metering, virtual net metering, group net metering, behind the meter installations and any other configuration) notified by the Central Government.

Provided that the compliance against distributed renewable energy shall ordinarily be considered in terms of energy (Kilowatt hour units):

Provided further that in case the designated consumer is unable to provide generation data against distributed renewable energy installations, the reported capacity shall be transformed into distributed renewable energy generation in terms of energy by a multiplier of 3.5 units per kilowatt per day (kWh/kW/day).

- (d) Other RPO may be met by energy produced from any renewable energy power project including power purchased from exchanges

other than specified in (a), (b) and (c) above and shall comprise energy from all WPPs and Hydro Power Projects [including Pump Storage Projects (PSPs) and Small Hydro Projects (SHPs)], including free power, commissioned before 1st April, 2024.

Shortfalls in Wind renewable energy or Hydro renewable energy consumption obligations in a given year may be offset by surplus consumption from the Other renewable energy component, and vice-versa.

Further, in case of 'Other RPO', any shortfall remaining in achievement of 'Other RPO' category in a particular year can be met with either excess energy consumed from wind power projects, commissioned after 31st March 2024 beyond 'Wind RPO' for that year or with, excess energy consumed from eligible Hydro Power Projects [including Pump Storage Projects (PSPs) and Small Hydro Projects (SHPs)], commissioned after 31st March 2024 beyond 'HPO' for that year or partly from both.

Provided that any shortfall in achievement of 'Wind RPO' in a particular year can be met with excess energy consumed from Hydro Power Plants, which is in excess of 'HPO' for that year and vice versa.

Provided also that Renewable Energy purchased through bundled power shall qualify for Renewable Purchase Obligation compliance to the extent of Renewable Energy content in the bundled power.

Provided further that Distribution Licensee shall be eligible to utilize the renewable energy generated from Prosumers supplying power to such Licensee under the Gross Metering, Net Billing and Net Metering arrangement as the case may be towards meeting the RPO compliance, provided that the Prosumer should not be an Obligated Entity under these Regulations.

Provided further that Distribution Licensee shall compulsorily procure 100% power generated from waste to energy plants in the state.

Provided also that Commission may review minimum percentage of compliance specified in the above Regulations depending upon prevailing situation in succeeding years.

- 4.2 There shall be uniform renewable purchase obligation, on all obligated entities in area of a distribution licensee. Any Obligated Entity, may elect to generate, purchase and consume renewable energy to meet their obligation by one or more of the following methods: -

(A) Own Generation from renewable energy sources: – There shall not

be any capacity limit for installation of power plants from renewable energy sources, by obligated entities for their own consumption

and such plants may be set up at any location in India and power shall be transmitted by using open access:

Provided that the generating plant may be set up by the entity itself or by a developer with which the entity enters into a power purchase agreement.

- (B) By procuring Renewable Energy through Open Access from any Developer either directly or through a trading licensee or through power markets.

Explanation:

- (1) Developer means the generating company who generate electrical energy from renewable sources of energy.
 - (2) Trading Licensee means a person who has been granted a license by appropriate commission, for purchase of electricity for resale thereof.
- (C) By purchasing of Renewable Energy Certificates in accordance with the applicable Regulations.
- (D) Purchase of green hydrogen or green ammonia; —the Obligated Entity can also meet their Renewable Purchase Obligation by purchasing green hydrogen or green ammonia and the quantum of such green hydrogen or green ammonia would be computed by considering the equivalence to the green hydrogen or green ammonia produced from one MWh of electricity from the renewable sources or its multiples and norms in this regard shall be notified by the CERC.

Provided that the obligated entity shall endeavor to source the mandatory percentage purchase from renewable sources within the State on the basis of their Commercial viability. In case, they are not able to meet the purchase obligation from such sources located in the State, they shall have the option to purchase the shortfall from outside the State. The energy generated from renewable sources in the State which is used by generator itself or sold to third party under open access, the same will be considered under the mandatory minimum percentage of power purchase.

- 4.3 The Licensee or its successor entities shall submit half yearly progress

report on the capacity addition, purchase of electricity from such projects and the energy generated from renewable sources in the State which is used by generator itself or sold to third party under Open Access to the Commission and also post them on their website.

- 4.4 The Commission may, suo-motu or at the request of licensee, revise the percentage targets for a year as per clause 4.1 of these Regulations keeping in view supply constraints or other factors beyond the control of the licensee.

5. Certificates under the Regulations of the Central Commission

- 5.1 Subject to the terms and conditions contained in these Regulations the Certificates issued under the Central Electricity Regulatory Commission (Terms and Conditions for Renewable Energy Certificates for Renewable Energy Generation) Regulations, 2022 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.

Provided that, in the event of an obligated entity seeking to fulfil its RPO by purchase of Certificates, the obligation to purchase electricity from various Renewable Energy Sources as stipulated in Clause 4.1 and 4.1 (a) may be fulfilled by purchase of appropriate Certificates as per Central Electricity Regulatory Commission (Terms and Conditions for Renewable Energy Certificates for Renewable Energy Generation) Regulations, 2022.

- 5.2 Subject to such direction as the Commission may give from time to time, the Obligated Entity shall act consistent with the Central Electricity Regulatory Commission (Terms and Conditions for Renewable Energy Certificates for Renewable Energy Generation) Regulations, 2022 notified by the Central Commission in regard to the procurement of the certificates for fulfilment of the Renewable Purchase Obligation under these Regulations.
- 5.3 The proof of certificates purchased by the obligated entities from any source as envisaged under CERC (Terms and Conditions for REC for Renewable Energy Generation) Regulations, 2022 shall be submitted by the obligated entities to the Commission within a month of the purchase of the certificate.

6. State Agency

- 6.1 The State Agency shall be the agency for accreditation and recommending the renewable energy projects for registration and to undertake functions

under these Regulations.

- 6.2 The State Agency shall function in accordance with the directions issued by the Commission and shall act in consistent with the procedures/rules laid by Central Agency for discharge of its functions under the Central Electricity Regulatory Commission (Terms and Conditions for Renewable Energy Certificates for Renewable Energy Generation) Regulations, 2022.
- 6.3 The State Agency shall submit half yearly status with respect to compliance of RPO by the obligated entities to the Commission within 30 days after completion of 1st and 2nd half of financial year in the format as annexed as Annexure-1 to these Regulations and may suggest appropriate action to the Commission, if required for compliance of the renewable purchase obligation.
- 6.4 If the Commission is satisfied that the State Agency is not able to discharge its functions satisfactorily, it may by general or special order, and by recording reasons in writing, designate any other agency to function as State Agency as it considers appropriate.

7. Distribution Licensee

- 7.1 Each distribution licensee shall indicate, along with sufficient proof thereof, the estimated quantum of purchase from renewable energy sources for the ensuring year in tariff (ARR or MYT) / annual performance review petition in accordance with Regulations notified by the Commission. The estimated quantum of purchase shall be in accordance with clause 4.1 and 4.1(a) of these Regulations.
- 7.2 Despite availability of renewable energy sources, if distribution licensee fails to fulfill the minimum quantum of purchase from renewable energy sources, it, without prejudice to the penalty to which it may be liable under section 142 of the Act, shall be liable to pay compensation as per clause 9 of these Regulations.

8. Captive and Open Access User(s) / Consumer(s)

- 8.1 The quantum of RPO mentioned in clause 4.1 and 4.1(a) shall be applicable to all captive and open access user(s)/consumer(s) as per Regulation 3.1 of these Regulations.
- 8.2 Every Captive and Open Access Consumer(s)/user(s) shall have to submit necessary details regarding total consumption of electricity and purchase of energy from renewable sources for fulfillment of RPO on yearly basis on or before 30th April to the State Agency.
- 8.3 Captive and Open Access Consumer(s) / User(s) shall purchase renewable

energy as stated in clause 4.1 and 4.1(a) of these Regulations. If the Captive user(s) and Open Access Consumer(s) are unable to fulfill the criteria as specified in clause 8.2 of these Regulations, the shortfall of the targeted quantum would attract payment of regulatory charge as per the Regulation 9 of these Regulations.

9. Effect of Default

- 9.1 If an Obligated Entity does not fulfil the renewable purchase obligation as provided under these Regulations during any year and also does not purchase the required certificates, the Commission may direct the Obligated Entity to deposit into a separate fund to be created under provisions of Bihar RE policy 2025, such amount as the Commission may determine on the basis of the shortfall in units of RPO.

Provided that the fund so created shall be utilized as may be directed by the Commission, partly for purchase of the certificates and partly for development of transmission/ sub-transmission infrastructure for evacuation of power from generating stations based on renewable energy sources.

Provided further that the obligated entities shall not be authorized to use the fund created in pursuance of the above, without prior approval of the Commission.

Provided also that if the obligated entities fail to deposit the amount directed by the Commission within 15 days of the communication of such direction, the obligated entities shall be in breach of its license condition.

- 9.2 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 also be liable for penalty as may be decided by the Commission under section 142 of the Act.

Provided that in case of genuine difficulty in complying with the renewable purchase obligation because of non-availability of power or any other reason beyond control of the obligated entity, the obligated entity concerned can approach the Commission for carry forward of compliance requirement to the next year. However, credit for excess purchase from renewable energy sources would not be adjusted in the ensuing year.

Provided further that where the Commission has consented to carry forward of compliance requirement, the provision of clause (9.1) of the Regulation or the provision of section 142 of the Act shall not be invoked.

10. Appointment of Compliance Auditors & Monitoring Committee

- 10.1 The Commission may appoint from time-to-time Compliance Auditors to inquire into and report on compliance of these Regulations. The Auditor shall also certify the fund operated by the State Agency and created under Regulation (9.1) of these Regulations.
- 10.2 The Commission may appoint Monitoring Committee to ensure compliance of these Regulations from time to time.

11. Overriding Effect

Notwithstanding anything contained contrary to-

- a) The BERC (Multi Year Distribution Tariff) Regulation, 2024
- b) The BERC (Terms and Conditions of Intra-State Open Access) Regulation 2018;
- c) The BERC (Terms and Conditions of Green Energy Open Access) Regulations, 2025;
- d) The BERC (Terms and Conditions for Tariff determination from Renewable Energy Sources) Regulation 2023;

and any other relevant Regulations notified by the Commission under section 181 of the Electricity Act 2003; these Regulations will have overriding effect.

12. Power to Remove Difficulties

If any difficulty arises in giving effect to any of the provisions of these Regulations, the Commission may, either suo-motu or on an application made to it, by general or special order, direct the licensee/ generator or any other person to take suitable action, not being inconsistent with the Act, which appears to the Commission to be necessary or expedient for the purpose of removing the difficulty.

13. Issue of Orders and Directions

Subject to the provisions of the Act and these Regulations, the Commission may, from time to time, issue orders and practice directions with regard to the implementation of these Regulations and procedure to be followed for such implementation and matters incidental or ancillary thereto.

14. Saving of Inherent Powers of the Commission

Nothing contained in these Regulations shall limit or otherwise affect the inherent powers of the Commission to adopt a procedure, which is at variance with any of the provisions of these Regulations, if the Commission, in view of the special circumstances of the matter or class of matters and for reasons to be recorded in writing, deems it necessary or

expedient to depart from the procedure specified in these Regulations.

15. Power to Amend

The Commission may from time to time add, vary, alter, suspend, modify, amend or repeal any provision of these Regulations.

Sd/-
Nadeem Ahmad
(Secretary)
Bihar Electricity Regulatory Commission

ANNEXURE-I

Half yearly Formats to be submitted by State Agency to the Commission:

Name of the Obligated Entity:				
Financial Year:				
Quarter:				
Sl.No.	Particulars	Formula	Unit	Value
1.	Energy input in the system of obligated entities		MU	
2.	Total RPO Target		%	
3.	Total Renewable Energy Purchase requirement	1*2	MU	
<u>Target level of RPO</u>				
4.	WPO Target		%	
5.	Wind Power Purchase requirement	1*4	MU	
6.	HPO Target		%	
7.	Hydro Power Purchase requirement	1*6	MU	
8.	Distributed RE Obligation target		%	
9.	Distributed RE Purchase requirement	1*8	MU	
10.	Other RPO Target		%	
11.	Other RE Purchase requirement	1*10	MU	
<u>Source wise RPO Obligation</u>				
14.	Wind Power Purchase		MU	
15.	Surplus/Deficit in Wind Power Purchase (+/-)	14-5	MU	
16.	WPO Achievement	$\frac{[If (15 > 0, 100\%, (15 + if(18 > 0, \min(15, 18), 0)))]}{1}$	%	
17.	Hydro Power Purchase		MU/	
18.	Surplus/Deficit in Hydro Power Purchase (+/-)	17-7	MU	
19.	HPO Achievement	$\frac{[If (18 > 0, 100\%, (18 + if(15 > 0, \min(15, 18), 0)))]}{1}$	%	

20.	Energy purchased from Distributed RE		MU	
21.	Surplus/Deficit in Distributed RE (+/-)	20-9	MU	
22.	Distributed RE Purchase achievement	20/1	%	
23.	Other RE purchase	a+b+c+d+e	MU	
a.	Bagasse		MU	
b.	Biomass		MU	
c.	Biogas		MU	
d.	Solar		MU	
e.	Surplus Wind/ Hydro beyond target level	Max (0,16+18)	MU	
24.	Surplus / Deficit in Other RE purchase (+/-)	23-11	MU	
25.	Other RPO Achievement	23/1	%	
<u>RPO obligation (overall)</u>				
29.	Total Renewable Energy Purchase Achievement	14+17+20+ 23	MU	
30.	Total RPO Achievement	29/1	%	