

## MATTER UPDATE

# HSA Advocates successfully represented India Power Corporation Limited before the Central Electricity Regulatory Commission

HSA Advocates successfully represented India Power Corporation Limited before the Central Electricity Regulatory Commission in a significant matter concerning the Renewable Energy Certificate (REC) framework and the interplay between regulations framed under the Electricity Act and notifications issued under the Energy Conservation Act.

The key issue before the Commission was whether REC entitlement for obligated entities, including distribution licensees, should be governed by the REC Regulations framed by CERC or by the Renewable Consumption Obligation (RCO) targets notified by the Ministry of Power.

The Commission clarified that REC issuance must be determined strictly in accordance with the CERC REC Regulations, which link REC eligibility to renewable energy procurement in excess of the Renewable Purchase Obligation (RPO) determined by the concerned State Commission. It was further held that provisions relating to monitoring of renewable compliance under the Forum of Regulators (FoR) Rules, 2005, and MoP notifications cannot alter or curtail REC entitlement under the statutory REC Regulations.

The ruling brings significant regulatory clarity for the REC market and provides comfort to obligated entities undertaking renewable procurement beyond State Commission mandated RPO levels, reinforcing certainty and confidence within India's renewable energy ecosystem.

Our team was led by **Molshree Bhatnagar** (Partner) supported by **Kamya Sharma** (Associate).