





## संयुक्त सचिव भारत सरकार नवीन और नवीकरणीय ऊर्जा मंत्रालय JOINT SECRETARY GOVERNMENT OF INDIA MINISTRY OF NEW AND RENEWABLE ENERGY

अजय यादव, भा.प्र.से. AJAY YADAV. IAS

D.O. No: P&RA/2023-24/8

28 November 2023

Dear Sir/Ma'am,

I would like to draw your attention towards Section 14 (x) of the Energy Conservation Act, 2001, as amended by Energy Conservation (Amendment) Act, 2022, delegating powers to the Central Government to specify minimum share of consumption of non-fossil resources by designated consumers as energy or feed stock and specify different shares of consumption for different types of non-fossil resources for different designated consumers. The distribution licensees have also been notified as designated consumers under the Energy Conservation Act, 2001.

2. In terms of Section 14 (x) of the amended Energy Conservation Act, 2001, the Ministry of Power through notification dated 20.10.2023 (copy attached), has specified following minimum share of consumption of renewable energy by the electricity distribution licencees as a percentage of total share of energy consumption, with certain conditions:

| Year    | Wind RE | Hydro RE | Distributed<br>RE | Other RE | Total RE |
|---------|---------|----------|-------------------|----------|----------|
| 2024-25 | 0.67%   | 0.38%    | 1.50%             | 27.35%   | 29.91%   |
| 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%   |

- 3. The above notification will come into force on 1<sup>st</sup> April 2024 and therefore the distribution licencees will have to comply with the specified renewable energy consumption norms w.e.f. FY 2024-25.
- 4. It may be noted that Section 26 (3) of amended Energy Conservation Act, 2001 provides as follows:

"If any person fails to comply with the directions issued under clauses (n) and (x) of section 14, he shall be liable to a penalty which shall not exceed ten lakh rupees for each such failure.

Contd.

Provided that he shall also be liable to an additional penalty which shall not exceed twice the price of every metric ton of oil equivalent prescribed under this Act, which is in excess of the prescribed norms."

5. In view of above, distribution licencees may be advised to plan in advance, to meet the renewable energy consumption norms prescribed under the EC Act to avoid the prescribed penalties. This Ministry will provide necessary assistance to the distribution licencees for procurement of renewable energy to meet these norms.

With worm regards,

Encl: As above.

To,

Principal Secretary (Energy/Power/Renewable Energy) of all State/UTs Copy to-

- 1. Secretary, of all SERCs/JERCs
- 2. MD/CEO of all distribution licensees