



No.10/4/2015
Government of India
Ministry of Power

'F' Wing, IInd Floor, Nirman Bhavan
New Delhi - 110 011

Date: 5/1/2016

To,

The Chief Executive Officer,
Power System Operation Corporation Ltd.,
B-9, Qutab Institutional Area,
Katwaria Sarai,
New Delhi -110016

Subject: Direction to POSOCO to discharge the function of Registry for trading/exchange of Energy Saving Certificates (ESCerts) under Perform Achieve and Trade (PAT) Scheme-reg.

Sir,

I am directed to refer to the above subject and to say that for facilitation of Trading/Exchange of Energy Saving Certificates on Power Exchange under the Perform Achieve and Trade (PAT) scheme (which is a market based mechanism to enhance cost effectiveness of improvements in energy efficiency in energy intensive large industries and facilitates through certification of energy savings) under National Mission for Enhanced Energy Efficiency (NMEEE), Power System Operation Corporation (POSOCO) shall discharge the functions of a Registry.

Direction to POSOCO by the Central Government to discharge the functions of Registry for trading/exchange of Energy Saving Certificates (ESCerts) under Perform Achieve and Trade (PAT) Scheme is as follows:

Whereas the Central Government in the Ministry of Power inter-alia launched the Perform Achieve and Trade (PAT) Scheme under the National Mission for Enhanced Energy Efficiency (NMEEE), a market based mechanism to enhance the cost effectiveness of improvements in energy efficiency in the energy intensive large industries on 30th March, 2012.

Whereas the Central Government in the Ministry of Power vide Energy Conservation Rules, 2012 dated 30th March, 2012 specified the Energy Consumption norms and standards for the 478 DCs for the period from 2012-2015 covering 8 sectors Aluminium, Chlor-Alkali, Textile, Pulp & Paper, Iron & Steel, Fertilizer, Cement and Thermal Power plants under the **Energy Conservation Rules 2012** (common parlance being PAT Rules) notified on 30th March 2012.

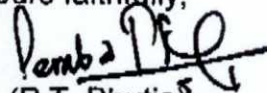
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Whereas section 14A (1) of the Energy Conservation Act,2001 and Rule 12 of the PAT Rule 2012 give powers to the Central Government to issue Energy Saving Certificate (ESCerts) in electronic form, each ESCert being equivalent to one metric ton of oil equivalent of energy (toe) consumed and the Power exchanges are designated as the trading platforms through which the ESCerts shall be traded and regulated by the Central Electricity Regulatory Commission (CERC).

And, Whereas considering the experience of Power System Operation Cooperation (POSOCO) with regards to Renewable Energy Certificate (REC) trading and management of integrated operation of Regional and National Power Systems with reliability, security and economy, the Ministry of Power, Government of India, has agreed to assign the function of Registry of ESCert trading to the POSOCO and accordingly issue this order to authorize POSOCO to establish the necessary framework for this purpose.

Yours faithfully,



(P.T. Bhutia)
Director EC

[Tele-fax :23063497]

- Copy to :
- i) DG, BEE
 - ii) Director (R&R)
 - iii) Director (Transmission)