



सत्यमेव जयते

केन्द्रीय विद्युत विनियामक आयोग
CENTRAL ELECTRICITY REGULATORY COMMISSION



No.21/1/2014/Reg.Aff./(PATScheme-BEE)/CERC

Dated: 14th February, 2017

The Secretary
Bureau of Energy Efficiency
4th Floor, Sewa Bhawan
R.K. Puram
New Delhi - 110 066

Subject: Approval of Procedures for transaction of ESCerts

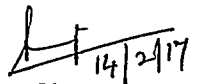
Dear Sir / Madam,

This has reference to Bureau of Energy Efficiency's letter No. 45/01/PAT-Trading-Procedure/17-18/7695 dated January 25, 2017 regarding Procedures for transaction of ESCerts for approval as per Clause 7(a) of CERC (Terms and Conditions for Dealing in Energy Savings Certificates) Regulations, 2016. The Procedures as approved by the Commission are enclosed for further necessary action.

2. Wide publicity be given to the approved Procedures for information and compliance of all concerned.

Yours faithfully,

Encl: As above.


(S.K. Chatterjee)
Joint Chief (Regulatory Affairs)

Copy to:

1. The Chief Executive Officer, POSOCO
2. The Managing Director, IEX / The Managing Director, PXIL

DETAILED PROCEDURE FOR :

- I) REGISTRATION OF A DESIGNATED CONSUMER WITH REGISTRY
AS ELIGIBLE ENTITY**
- II) INTERFACE ACTIVITIES BETWEEN POWER EXCHANGES AND
REGISTRY, ADMINISTRATOR AND REGISTRY AND REGISTRY
AND DESIGNATED CONSUMER**
- III) DEALING OF ENERGY SAVINGS CERTIFICATES, TRANSFER AND
OTHER RESIDUAL MATTERS**

UNDER THE

**CERC (TERMS AND CONDITIONS FOR DEALING IN ENERGY SAVING
CERTIFICATES) REGULATIONS, 2016**

BY

BUREAU OF ENERGY EFFICIENCY

14TH FEBRUARY 2017

I. PROCEDURE FOR REGISTRATION OF A DESIGNATED CONSUMER WITH REGISTRY AS ELIGIBLE ENTITY

1. INTRODUCTION

1.1. This procedure shall be called '*Procedure for Registration of a Designated Consumer with Registry as Eligible Entity*' and is issued in compliance with Clause 7(a) of the Central Electricity Regulatory Commission (Terms and Conditions for Dealing in Energy Savings Certificates) Regulations, 2016 issued by CERC on 27th May, 2016 and notified on 30th May, 2016 and as maybe amended from time to time (hereinafter referred to as "ESCerts Transaction Regulations")

1.2. The Procedures shall enable implementation of the ESCerts Transaction Regulations and facilitate the transaction of Energy Savings Certificates between the Eligible Entities who have been issued ESCerts and the Eligible Entities who shall comply with the prescribed energy norms and standards for the current and subsequent cycles.

1.3. Words and Expressions used in these Procedures shall have the same meaning as provided in Energy Conservation Act 2001, Energy Conservation (Energy Consumption Norms and Standards for Designated Consumers, Form, Time within which, and Manner of Preparation and Implementation of Scheme, Procedure for Issue of Energy Savings Certificate and Value of Per Metric Ton of Oil Equivalent of Energy Consumed) Rules 2012, (PAT Rules) and amendment thereof, ESCerts Transaction Regulations and CERC (Power Market) Regulations, 2010 and amendments thereof.



2. APPLICABILITY AND SCOPE

2.1. This Procedure shall be applicable to the "Designated Consumers".

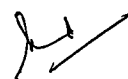
2.2. Subsequent to receiving the requisite details from the Designated Consumer, Registry shall undertake the registration of all Designated Consumer as 'Eligible Entity' for each PAT Cycle. Eligible entities as per clause 9 of the ESCerts Regulations are as follows:

2.2.1. Eligible entities issued ESCerts in electronic form in a cycle period for achieving specific energy consumption less than the energy consumption norms and standards notified by the Central Government for the cycle period, under Energy Conservation Rules, and subsequent cycles, who have held such certificates in Registry account;

2.2.2. Eligible entities whose specific energy consumption is more than the prescribed energy consumption norms and standards specified for a cycle period and subsequent cycles, and who wish to comply with the prescribed energy consumption norms and standards using ESCerts in lieu of implementing energy conservation and energy efficiency improvement measures

2.2.3. Any other eligible entity, as permitted in the Energy Conservation Act, 2001 and on subsequent intimation by the Bureau to the Commission, shall be allowed to enlist for participating in dealing of ESCerts on the Power Exchange(s) by the Commission, from time to time

2.3. As per clause 13(b) of the PAT Rules 2012, the designated consumer, referred in 2.2.2 above, shall be entitled to purchase the energy savings certificates equivalent in partial or full satisfaction of the shortfall in the energy consumption norms and standards worked out in terms of metric ton of oil equivalent. As per clause 14 A(2) of the Energy Conservation Act 2001, the designated consumer whose energy consumption is more than the prescribed norms and standards shall be entitled to purchase



the energy savings certificates to comply with the prescribed norms and standards.

- 2.4. ESCerts once purchased cannot be resold.
- 2.5. The registration granted by the Registry to the Designated Consumer as Eligible Entity for a particular PAT Cycle, shall remain valid as per PAT Rules till the compliance period of their next PAT cycle unless otherwise revoked prior to such validity period in pursuance of conditions for revocation as outlined under these Procedures.

3. STEP -WISE DESCRIPTION OF THE PROCEDURE

The Procedure for registration of the Designated Consumer, as Eligible Entity for any PAT Cycle with the Registry includes the following steps:

- 3.1. **STEP 1:** An application for getting registered shall be made by the Designated Consumer to the Registry through PATNet portal as per Format 1.1 who shall also submit the same information in physical form duly signed by Authorised signatory to the Registry. The checklist for submission of Application for Registration is given in Annexure-A.

The application for registration shall contain the following information, as per the enclosed format (FORMAT - 1.1: Application Form for Registration of Designated Consumer to become Eligible Entity):

- i. PAT Cycle Details
- ii. Owner(s)Details
- iii. Details of Fees and Charges
- iv. Declaration
- v. Attachments (Scan copy of PAN, TAN, CIN, Service Tax Number, Authorisation letter, Registration under Shops and Establishment Act, and EPFO Registration for Proprietorship Firm and Partnership Firm.)
- vi. Details of issued/entitled ESCerts



- vii. Any other relevant information as prescribed by Administrator/Registry from time to time

3.2. STEP 2:After receipt of application for registration, the Registry shall undertake preliminary scrutiny on the basis of details provided by the applicant and Administrator to ensure that Application Form is complete in all respect along with necessary documents and applicable registration fees and charges including service tax as per Government Rules and inform the applicant regarding the completeness of the application within 7 working days. The comments of the Registry shall also be reflected in dashboard of Designated Consumer for taking necessary action.

3.3. STEP 3:The applicant shall furnish the details as requested by the Registry within 7 working days so as to enable the Registry to undertake the registration of the applicant. In case the applicant fails to furnish the information requested by the Registry within the stipulated time frame, the Registry may abandon the registration of the applicant and refund the Registration Fee.

3.4. STEP 4: If Application is complete in all respects, including payment of fee and charges, then Registry shall proceed to register the Designated Consumer within 15 working days from the date of receipt of complete Application and issue the 'Certificate of Registration' to the concerned Designated Consumer as 'Eligible Entity', subsequent to submission of the Registration Fee. If application is rejected by Registry, the reasons for rejecting the application shall be communicated to the concerned designated consumer through PATNet Portal and an email shall also be sent in the registered email id of the Designated Consumer.

3.5. STEP 5:While considering any application for Registration, the Registry shall verify and ascertain availability of the following information:



- a. Permanent Account Number (PAN)
- b. Tax Deduction and Collection Account Number (TAN)
- c. Corporate Identity Number (CIN)
- d. Service Tax Number
- e. Details of payment of registration fees/charges
- f. Hard Copy of Application signed and stamped on each page and declaration of Applicable Clauses given in online application on letter head of the concerned Designated Consumer.
- g. Authorisation Letter
- h. Details of ESCerts issued or entitled to purchase

3.6. STEP 6: After completion of the registration process, the Registry shall release the electronic 'Certificate of Registration' to the respective Designated Consumer and share the list of Eligible Entities for each PAT Cycle with the Power Exchange(s) and Administrator.

4. Issuance of ESCerts by Ministry of Power (MoP), and verification of the same on Dynamic -Customer Relationship Management by Registry

4.1. MoP shall issue ESCerts in electronic form with the unique ESCert number assigned to each ESCert as per FORMAT - 1.2. The energy savings certificates issued in a cycle period shall remain valid till the completion of the compliance period of their next PAT cycle. In case of ESCerts purchased by the Designated Consumer, in terms of the Regulations and the Procedures, such ESCerts shall remain valid until the completion of the compliance period of the next PAT cycle from the date of issue of such ESCerts, or until the submission of such ESCerts to the Administrator, whichever is earlier.

4.2. Subsequent to issuance of ESCerts by MoP, at the time of registration, Registry shall cross-check the ESCerts in the account of each designated



consumer, wherever applicable. Administrator shall share the list of the ESCerts issued by MoP with Registry.

- 4.3. Registry shall allow dealing in ESCerts after Registration of Designated Consumers as an eligible entity as per the provisions of this Procedures, and Regulations.
- 4.4. As per the clause 12(4) of PAT Rules, bilateral trading even within the same corporate group is not permitted and accordingly, inter-sector self-retention/transfer of ESCerts is also not permitted.
- 4.5. During the cross checking of ESCerts to be traded, the Registry shall check the account of respective eligible entities i.e. both buyers and sellers.
- 4.6. For the trading of the ESCerts, a separate Dynamic - Customer Relationship Management (D-CRM) will be developed and maintained by Administrator where POSOCO as a Registry and the Power Exchange(s) will have login facilities. Trading related reports, cross-check and confirmation reports, etc., will be generated on this platform and the same shall be exchanged between the Registry and the Power Exchange(s) as per procedure(s) for dealing of energy savings certificates, transfer and other residual matters.

5. FUNCTIONS, ROLES AND RESPONSIBILITIES OF ENTITIES INVOLVED

The roles and responsibilities of the entities involved is elaborated in the following paragraphs,

5.1. Eligible Entity

- a. The Designated Consumer shall apply online on PATNet Portal and submit the hard copy along with the requisite documents to the Registry for getting registered as eligible entity for transaction of ESCerts on the Power Exchange(s) as per FORMAT - 1.1.



- b. The Designated Consumer shall coordinate with the Registry in respect of registration for transaction of ESCerts.
- c. The Designated Consumer shall be responsible to submit the information in a timely manner so as to enable Registry to comply with requirements for Registration within the time frame envisaged under ESCerts Transaction Regulations.
- d. All Designated Consumers for each PAT Cycle shall pay the fees as determined from time to time as defined in clause 9 of this Procedure. Further, if eligible entity deducts TDS against the respective PAN of the Administrator/Registry, in such cases eligible entity shall submit the TDS certificates to the Administrator/Registry. The details of the Permanent Account Numbers and the ratio in which TDS will be deducted against PAN of Administrator/Registry shall be shared by Administrator on its website.
- e. Designated consumers shall follow the Procedures as mentioned in **Annexure-B** for submission of documents to the Registry.
- f. Whenever there is a change in the legal status or name of the eligible entity, the Designated Consumer shall send a request to Administrator (Sector-in-charge) within 15 days of the change / anticipated change for making the required changes in the record.
- g. The Administrator shall make the desired changes regarding legal status within 7 days in the record of the concerned Designated Consumer on PATNet Portal and communicate the same to the Registry and the Power Exchange(s)(e.g. change from partnership to company)with a copy to the eligible entity
- h. For cases involving a change in the name of the eligible entity, the following steps shall be followed :



- i. Designated Consumer shall make an application to Administrator (Sector-in-charge) along with relevant documents like Board Resolution regarding name change, certificate of name change from Registrar of Companies, approval of concerned authorities, State Agency, etc., to update the records of the Designated Consumer.
- ii. Administrator (Sector-in-charge) shall make the desired changes in the name of the concerned Designated Consumer in the account on PATNet Portal after obtaining the approval from Competent Authority in BEE.
- iii. The details shall be updated in the database and the same shall be submitted to the Registry with a copy to the the Power Exchange(s).

- i. Designated Consumers shall submit report of compliance of energy efficiency norms and standards to the Administrator as per the timeline specified in these procedures.

5.2. Registry shall:

- a. Comply with the directions issued by the Commission from time to time.
- b. Issue electronic Certificate of Registration to the Designated Consumer within the stipulated time.
- c. In case of rejection, intimate reasons of rejection within the stipulated time.



- d. Intimate registration of Designated Consumer as eligible entity to the following through PATNet Portal/D-CRM:
- Concerned Designated Consumer
 - Administrator
 - Power Exchange(s)
- e. Collect fees and charges from eligible entities as may be prescribed in the Order to be issued by the Commission in compliance with clause 12 of the ESCerts Transaction Regulations.

5.3. Administrator

- a. For each PAT cycle, Administrator shall after due scrutiny of the status of ESCerts provide the hard copy of the list of Designated Consumers with number and details of ESCerts viz., numbers issued by the MoP and the list of Designated Consumers who shall comply with the Energy Consumption Norms and Standards as per PAT cycle to the Registry. If there is any mismatch between the details given in the hard copy and the details available in D-CRM, then Registry will inform the Administrator about the mismatch. The Administrator shall then take steps to reconcile the mismatch and ensure that both are correct and updated.
- b. Administrator shall provide the details of those Designated Consumers whose records are updated in the PATNet Portal on account of the change of name/legal status to the Registry and the Power Exchange(s). A comprehensive report containing full trail of such changes shall be maintained in the PATNet / D-CRM.
- c. Administrator owns the servers and software(s) utilized for PATNet and trading of ESCerts. Therefore, Administrator shall act as a web administrator for PATNet portal and D-CRM. Software changes in PATNet portal and D-CRM shall be made by the Administrator and the same shall be informed to the Registry.

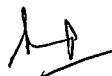


- d. Administrator shall depute an in-house IT support staff to the Registry for providing IT assistance in D-CRM during initial phase of implementation of ESCerts Transaction Regulations regarding compliance period, trading sessions, and whenever required by the Registry.
- e. Provide information related to designated consumers for each PAT Cycle, Disaster Recovery Mechanism, Software Requirement Specification (SRS) document Interface details of PATNet portal and D-CRM, details of any changes in the Rules, Notifications, and other details to the Registry.
- f. Administrator has developed an online IT Platform termed as PATNet portal to facilitate the issuance of ESCerts by MOP and thereafter dealing of ESCerts as per CERC Regulations. This platform will provide access to the officials of the Designated Consumers, State Designated Agencies, and Bureau of Energy Efficiency. Activities beginning from online submission of Monitoring and Verification reports from the Designated Consumers for online issuance to the extinguishment of ESCert will be facilitated by this PATNet portal.
- g. The Administrator shall ensure that the D-CRM used by the Registry, Administrator and the Power Exchange(s) would ensure generation and preservation of electronic trail of all transactions.
- h. All changes in the D-CRM shall be done by Administrator and informed to Registry in writing.

6. INFORMATION REQUIREMENT - APPLICATION FORM and CONTENT

For the purpose of registration of the Designated Consumer as Eligible Entity, the Applicant shall furnish information to the Registry in the format as elaborated in FORMAT-1.1.

7. REPORT: FORMAT FOR REGISTRATION CERTIFICATE



The Registry shall grant 'Certificate of Registration' to the Designated Consumer as Eligible Entity to become eligible for transaction of ESCerts on the Power Exchange(s) as per FORMAT 1.3.

8. TIMELINES

8.1. The Designated Consumer shall submit the application for registration to Registry to become Eligible Entity as per the date intimated by the Administrator.

8.2. After receipt of application for registration, the Registry shall undertake preliminary scrutiny to ensure that the Application Form is complete in all respect along with necessary documents and applicable registration fees and charges including service tax as per Government Rules and inform the applicant (by e-mail) regarding the completeness of the application within 7 working days. The comments of Registry shall also be reflected in dashboard of Designated Consumer for taking necessary action.

8.3. The applicant shall furnish the details as requested by the Registry within 7 working days so as to enable the Registry to undertake the registration of the applicant.

8.4. In case the applicant fails to furnish the information requested by the Registry within the stipulated time frame, the Registry may abandon the registration of the Eligible Entity and refund the fees and charges. In this scenario, those Designated Consumers to whom ESCerts have been issued shall not be able to sell the certificates on the Power Exchange(s) or those Designated Consumers who are entitled to purchase these ESCerts for compliance shall be liable for penalty as per



clause 26(1A) of the EC Act in case of non-compliance energy efficiency norms.

8.5. The process of registration of the Designated Consumer shall normally be completed within 15 working days from the date of complete information by the Registry.


8.6. After registration, the Eligible Entities shall be allowed to undertake trading in ESCerts as per these procedures and the bye laws of the power exchange(s) approved by the Commission. As per PAT Rules, as amended on 31st March, 2016, the Designated Consumer for the purpose of achieving the compliance with energy consumption norms and standards during the target year in the relevant cycle, shall furnish the status of compliance to the Bureau (Administrator) in Form D by the end of one month from the completion of the trading of the respective cycle as may be specified by Central Electricity Regulatory Commission. Accordingly, it is provided that the Designated Consumers shall submit Form D for meeting their compliance during the period from 1st June to 30th June of the year in which the compliance of the respective PAT cycle is due.

8.7. If, in any circumstances, the timelines mentioned above require to be modified, the Administrator shall intimate all the stakeholders for change in timelines, and shall inform CERC about the same.

9. FEES AND CHARGES

9.1. All Designated Consumers applying to become 'Eligible Entity' shall pay the fees and charges (as notified by the Commission from time to time) towards the following:

- i. One time Registration Fee
- ii. ESCert Fee to be paid by the Designated Consumers to whom ESCerts have been issued by MoP



9.2. All fees and charges shall be payable by way of Electronic Clearing System/online payment facility transaction charges shall be borne by the applicant. Registry shall collect fees and charges from eligible entities as per fee order of the Commission. Subsequent to realising the fee and charges by the Registry, an invoice shall be generated and its copy shall be sent to Designated Consumer through PATNet portal.

10. EVENT OF DEFAULT/NON-COMPLIANCE AND CONSEQUENCES THEREOF

10.1. If the Registry, after making an enquiry or based on an intimation received from the Administrator, is satisfied that continuation of registration of any Eligible Entity is not in the interest of operations of ESCerts transactions, it may revoke registration of the Eligible Entity in any of the defaults/non-compliance specified below:

- i. where the Eligible Entity, in the opinion of the Registry or Administrator, makes willful and prolonged default as defined in clause 10(7) of ESCerts Transaction Regulations;
- ii. where the Eligible Entity fails within the period as required by the Registry -
 - a. to show, to the satisfaction of the Registry, that it is in a position fully and efficiently to discharge the duties and obligations imposed on it by its registration; or
 - b. to pay the fees or other charges required for its registration.
- iii. Where the Eligible Entity fails to abide by any other provisions of the ESCerts Transaction Regulations or these Procedures or direction by Commission/Administrator under the procedure and regulations.
- iv. If directed by CERC or Ministry of Power by way of an order



Consequences for Event of default:

10.2. Occurrence of any of the event of default, as defined in clause 14.4 of these Procedures and in clause 10(7) of ESCerts Transaction Regulations, by Eligible Entity may result into revocation of registration granted to such Eligible Entity for that PAT Cycle. Eligible entities with more than three cases of such defaults specified in a cycle shall be barred from transaction of ESCerts for next six months notwithstanding any penalty due to be imposed as per the provisions of the Energy Conservation Act, 2001.

10.3. In case the Eligible Entity fails to address/rectify the default expressed by the Registry in the Notice within stipulated time period of 7 working days, the Registry shall seek permission from the Commission with the recommendation of the Administrator, for proceeding with revocation of Registration granted to such Eligible Entity for that PAT Cycle. Administrator shall bring to the notice of the Commission the instances of such non-compliance of the ESCerts Transaction Regulations for suitable action by the Commission.

10.4. In case of revocation, the Registry shall give a notice of not less than 14 working days and opportunity to the Eligible Entity to present its case before revocation of registration.

10.5. If Registration is revoked by the Registry, in such cases, ESCerts credited/ exchanged shall remain valid as per PAT Rules and shall be available for transaction in the Power Exchange(s) till valid ESCerts are available in the account of the concerned Designed Consumer.

11. POWERS TO REMOVE DIFFICULTIES



If any difficulty arises in giving effect to any provision of these Procedures or interpretation of the Procedures, the Administrator in consultation with Registry may make such provisions or propose amendments, not inconsistent with the provisions of ESCerts Transaction Regulations, upon seeking due approval from the Commission, as may appear to be necessary for removing the difficulty.

A handwritten signature or set of initials, possibly 'R', written in black ink. It consists of a stylized letter followed by a horizontal line that extends to the right and then curves downwards.

FORMAT - 1.1*:

**Application Form for Registration of Designated Consumer (DC) to become
Eligible Entity (EE)**

Section A: PAT Cycle Details

PAT Cycle (duration):

DC Registration Number:

DC Name:

Sector:

State:

Name of State Designated Agency:

Plant Address:

Plant Head Name:

Plant Head Contact Details:

Number of ESCerts Issued/ to be purchased:

Postal Address:

Year of Establishment:

*** The above details are as per Registration details submitted by Designated
Consumer during Registration with BEE**

**Authorized Signatory of the Application (submit authorization Letter by
CEO/CMD/MD/Director/Partners/Board Resolution):**



Section B: Owner Details

Name of the Applicant:

Type of Applicant:

(Individual/HUF/Partnership/Ltd Co. /Pvt. Ltd. Co. /Public Ltd. Co/Cooperative Society)

Postal Address of the Applicant:

Town/Suburb:

State:

Postal Code:

Primary Contact Name:

(Name of Authorised Signatory)

Position:

Phone:

Fax:

Mobile:

E-mail Address:

Permanent Account Number (PAN):

Tax Deduction and Collection Account Number (TAN):

EPFO - Employees Provided Fund Organisation Registration No.:

Corporate Identity Number (CIN):

Registration No. under Shops and Establishment Act:

Service Tax Number:

Secondary Contact Name:



Section C: Details of Fee and Charges

A. Name of the Bank:

B. Details of Fee Paid (Fees along with tax details):

- i. One time Registration Fee -Rs.....
- ii. ESCert Fee (if applicable)-Rs.....
- iii. Service tax (as applicable on above i-ii) - Rs.....
- iv. TDS details, if applicable- Rs.....

C. ECS reference number/Transaction reference number:

.....



Section D: Declaration

Declaration to be signed by the M.D./CEO/Authorised Signatory of the Applicant

I/We certify that all information furnished above is true to the best of my/our knowledge and belief. I/We shall abide by such terms and conditions that the Central Electricity Regulatory Commission may impose from time to time, to participate in the ESCerts transaction Mechanism from time to time.

INDEMNIFICATION

The Designated Consumer shall keep the Registry indemnified at all times and shall undertake to indemnify, defend and save the Registry harmless from any and all damages, losses, claims and actions, including demands, suits, recoveries, costs and expenses, court costs, attorney fees, and all other obligations by or to third parties, arising out of or resulting from the Registration/transaction of ESCerts under ESCerts transaction Mechanism. The Designated Consumer shall also keep Registry indemnified at all times and shall undertake to indemnify, defend and save the Registry harmless from any and all damages, losses, claims and actions, arising out of disputes with Administrator, State Designated Agencies (SDAs), as well as with Power Exchange(s), inclusive of confidentiality issues.

Signature of the applicant

(Seal of the Company)

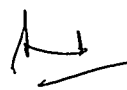
Date:

Place:

A handwritten signature in black ink, consisting of a stylized 'R' followed by a horizontal line and a diagonal stroke.

FORMAT - 1.2:
ESCerts Number Format

CYCLE	ESCerts Serial Number	DC Registration Number	DATE (Issued) [DDMMYY]
01	0000001	DC Registration Number	DDMMYY



FORMAT 1.3:
CERTIFICATE OF REGISTRATION

This is to certify that _____ (*Name of the Designated Consumer*) _____ [*Designated Consumer Registration Number having Address*] has been registered with Registry as 'Eligible Entity' for the PAT Cycle ____ .

This registration is granted subject to fulfilling the Rules, Regulations and Procedures specified by the CERC/Administrator/Registry from time to time.

The expiry of this certificate is due on the compliance of next PAT Cycle.

Authorized Signatory of the Registry
National Load Despatch Centre,
B-9, Qutab Institutional Area, Katwaria Sarai,
New Delhi- 110 016

Date of Issue:

This is a computer generated Certificate and needs no signature



CHECK LIST FOR REGISTRATION APPLICATION

1. Hard Copy of Application signed and stamped on each page.
2. Declaration of Applicable Clauses given in online application on letter head of the concerned Designated Consumer.
3. Details of payment of registration fees/charges
4. Letter for authorised signatory if application is not signed by MD/CEO.

Type of Organization	Authority or his / her authorized representative.
Public Ltd.	Board Resolution / MD / CEO
Pvt Ltd.	Director / MD
Partnership	Partner / Director / MD
Individual / Proprietorship	Owner
Cooperative / Govt. Department	Head of the Organization / Authorized representative

5. Permanent Account Number (PAN)
6. Tax Deduction and Collection Account Number (TAN)
7. Corporate Identity Number (CIN)
8. Service tax number
9. Employees Provident Fund Organisation Registration No. (wherever applicable)
10. Registration No. under Shops and Establishment Act (wherever applicable)



Procedure for submission of the documents to the Registry

All communication regarding dealing in ESCerts to be addressed as follows:

The Nodal Officer,
ESCerts Registry,
1st Floor NLDC office
B-9, Qutab Institutional Area, Katwaria Sarai, New Delhi-110016.

All documents regarding ESCerts shall be accepted by the Courier/by hand or through services of Indian Post. However, the delivery of documents through courier/ by hand will be accepted on all working days during 10 AM to 12 noon and 3 PM to 5 PM and the same will be acknowledged through POSOCO date stamp and acknowledgement number.

The Application(s) for Registration of Designated Consumers to become eligible entities and the name of the Designated Consumer has to be clearly stated on the envelope.

Further, the requisite documents to be submitted by BEE, the Power Exchange(s) may be accepted by the POSOCO through their respective authorized e-mail.



II. PROCEDURE(S) FOR INTERFACE ACTIVITIES BETWEEN ENTITIES (POWER EXCHANGES AND REGISTRY, ADMINISTRATOR AND REGISTRY, REGISTRY AND DESIGNATED CONSUMERS) FOR TRANSACTION OF ESCerts

12. INTRODUCTION

12.1. These Procedures shall provide guidance to the eligible entities registered with Registry, as defined in 'Procedure for Registration of a Designated Consumer with Registry as Eligible Entity' under clause 3 of this Procedure. This procedure shall be called *'Procedure for interface activities between entities (Power exchanges and Registry, Administrator and Registry, Registry and Designated Consumers) for transaction of ESCerts'*.

12.2. These Procedures are issued in compliance with the clause 7 (a) of ESCerts Transaction Regulations in order to enable implementation of the said Regulations so as to facilitate the transaction of Energy Savings Certificates between the Eligible Entities to whom ESCerts have been issued and the Eligible Entities who want to comply with the prescribed energy norms and standards for the current and the subsequent cycles.

12.3. Words and Expressions used in these Procedures shall have the same meaning as provided in Energy Conservation Act 2001, Energy Conservation (Energy Consumption Norms and Standards for Designated Consumers, Form, Time within which, and Manner of Preparation and Implementation of Scheme, Procedure for Issue of Energy Savings Certificate and Value of Per Metric Ton of Oil Equivalent of Energy Consumed) Rules 2012, ESCerts Transaction



Regulations, CERC Power Market Regulation, 2010 and their amendment thereof.

13. APPLICABILITY AND SCOPE

13.1. These Procedures shall be applicable to the Eligible Entity, Registry, Administrator and the Power Exchange(s) while facilitating the transaction of Energy Savings Certificates.

13.2. Power Exchange means the power exchange as registered or deemed to have been registered under Power Market Regulations of the Commission. Power Market Regulations means the Central Electricity Regulatory Commission (Power Market) Regulations, 2010 as amended from time to time.

14. STEP -WISE DESCRIPTION OF THE PROCEDURE

The entities involved in the Transaction of ESCerts shall interact with the online platform viz., PATNet portal and D-CRM developed by Administrator wherein Login facility shall be provided to the Registry, the Power Exchange(s) and Designated Consumers.

14.1. **STEP 1:** The Eligible Entity shall place their Sell/buy bids on Power Exchange(s) in the manner as defined in respective Power Exchange(s) Business Rules approved by the Commission. The Eligible Entity may place their sell/buy Bids on the Power Exchange(s) simultaneously. The sum of the sell Bids as placed by the Eligible Entity on the Exchanges shall be less than or equal to the total quantity of ESCerts available for transaction in its Registry account.

14.2. **STEP 2:** During the time the bidding window opens in the Power Exchange(s), the seller/buyer shall place their Sell/Buy bids through the trading platform of the respective Power Exchange(s).




14.3. STEP 3: Upon receipt of Sell/Buy bids till closure of trading window, as provided in bye-laws of respective Exchanges, each Power Exchange shall collate the Sell/Buy bids and send it to Registry through their account on D-CRM for verification of quantity of ESCerts put for sell/buy against the quantity of ESCerts available for transaction with the concerned eligible entity in their Registry account.

14.4. STEP 4: The Registry, on receipt of sell/buy Bids from each Power Exchange shall cross-check the cumulative Sell/Buy bids placed by an Eligible Entity on the Power Exchange(s) with the Registry regarding the quantity of ESCerts available for transaction in their account maintained on PATNet Portal.

(a) If the sum of such ESCerts offered for sell on the Power Exchange(s) is less than or equal to the quantity of ESCerts available for transaction in the Eligible Entity's Registry account, Registry shall send a confirmation report through their account on D-CRM to the respective Power Exchange(s); or

(b) In case the cumulative sell bids placed by an Eligible Entity on the Power Exchange(s) exceed the quantity of ESCerts available for transaction in their Registry account, the Registry shall intimate the Power Exchange(s) to treat such eligible entities as defaulter and any bid submitted by such eligible entities shall not be considered by the Power Exchange(s) for the purpose of discovering the Market Clearing Price (MCP) and Market Clearing Volume (MCV) in the current trading session, without prejudice to any other action under the Energy Conservation Act, Rules, Regulations and the Procedures.

(c) In case the cumulative buy bids placed by an Eligible Entity on the Power Exchange(s) exceeds the quantity of ESCerts entitled to be



purchased for the compliance in that PAT cycle, the Registry shall allow the Power Exchange(s) to accept the bid for higher number of ESCerts.

14.5. STEP 5: Upon receipt of report from the Registry, the Power Exchange(s) shall aggregate all the buy bids and the confirmed sell bids and discover the Market Clearing Price (MCP) and Market Clearing Volume (MCV) through the closed double-sided uniform price auction for that particular trading session of ESCerts. After end of the bid matching and transaction finalization phase, each Power Exchange shall upload the confirmation report on D-CRM providing the ESCerts sell and buy volume for each eligible entity who have successfully transacted ESCerts in that particular trading session.

14.6. STEP 6: Upon receipt of confirmation report from each Power Exchange, the Registry shall send the transaction approval acknowledgement to the Power Exchange(s).

14.7. STEP 8: Registry shall update the following details of the concerned eligible entities after successful trading session:

- Opening Balance [No. of ESCerts]
- ESCerts traded on the Power Exchange(s)
- Closing Balance [No. of ESCerts]

14.8. STEP 9: Transaction of ESCerts shall be based upon First-In-First-Out (FIFO) principle.



15. FUNCTIONS, ROLES AND RESPONSIBILITIES OF ENTITIES INVOLVED

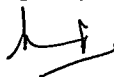
The roles and responsibilities of the entities involved are as follows:

15.1. Eligible Entity shall:

- a. Adhere to directions given by the Commission, Administrator, Registry and the Power Exchange(s) from time to time.
- b. Place sell or buy bids for Energy Savings Certificates on the Power Exchange(s) as per the prescribed timelines.

15.2. Power Exchange shall:

- a. Formulate Rules and Byelaws for transaction of ESCerts on the Power Exchange(s) in accordance with the provisions of Energy Conservation Act, PAT Rules, the ESCerts Transaction Regulations and these Procedures and shall issue the same after taking due approval from the Commission.
- b. In line with the ESCerts Transaction Regulations, Exchanges shall adopt double sided closed auction with uniform pricing.
- c. Develop the IT Platform compatible with the PATNet portal and D-CRM for enabling online transaction of ESCerts.
- d. Permit the transaction of Energy Savings Certificates only to the Eligible Entities.
- e. Determine the market clearing price and the market clearing volume. The transaction results shall be published and made available to Eligible Entities.
- f. Shall send reports for transaction confirmation and financial obligation, invoices including financial settlement i.e. the generated pay-in and pay-out for the executed transaction to the Eligible Entity.
- g. Shall issue the purchase certificate to the Buyers and details of the same shall be shared with the Registry.



- h. After each trading session, shall display ESCerts demand supply curves on their website to enable the eligible entities understand demand supply dynamics in the market.

15.3. Registry

- a. Assist in development of D-CRM and for maintaining secure database of ESCerts and records of transaction of ESCerts.
- b. Formulate protocol for sharing of information related to transaction of Energy Savings Certificates in 'electronic form' with Power Exchange(s) and Administrator.
- c. Maintain records with respect to the transaction of Energy Savings Certificates based on information received from Power Exchange(s).
- d. After each trading session, the Registry shall update dashboard of the concerned eligible entity.
- e. Discharge the following functions in the process of ESCerts transaction
 - i. Blocking and freezing transaction of defaulters, wherever applicable.
 - ii. Record keeping of ESCerts
- f. After the compliance of each PAT Cycle, on intimation from the Administrator about the extinguishment of ESCerts for the considered Eligible Entity, Registry shall extinguish such ESCerts from the Registry account of the concerned Eligible Entity, and thereafter the balance ESCerts, if any, shall be treated as Banked ESCerts of concerned PAT cycle.
- g. Inform the eligible entities about the details of extinguished ESCerts and balance ESCerts through PATNet portal.
- h. Any other function, as suggested by Commission in consultation with Administrator.
- i. Submit records and MIS reports to the Commission on quarterly basis



15.4. Administrator shall:

- a. Provide assistance to the Commission, Registry and Power Exchange(s) in matters involving transaction of ESCerts on the Power Exchange(s).
- b. Develop and maintain IT Platform for online transaction of ESCerts in accordance with the provisions of PAT Rules and Energy Conservation Act and ESCerts Transaction Regulations, and Orders.
- c. Disseminate relevant market information to Designated Consumer, Registry, Power Exchange(s) etc.
- d. Provide information related to eligible entities for each PAT Cycle, Disaster Recovery Server, and Software Requirement Specification (SRS) document, communication protocol for any modification in the Registry platform, etc.
- e. Coordinate with the Power Exchange(s) and Registry for smooth interface for transaction of ESCerts.
- f. After the compliance of each PAT Cycle, Administrator shall intimate Registry regarding the extinguishment of ESCerts of the concerned Designated Consumers and the balance ESCerts in the account of the eligible entity shall be treated as Banked ESCerts of concerned PAT Cycle.
- g. Help manual for interface activities shall be prepared by the software developer and the same shall be provided to the Registry.
- h. Ensure the accountability of the software developer for maintaining integrity and probity of the scheme.
- i. Discharge such other functions as may be assigned under these Procedures and Regulations.



16. INTERFACING AND INFORMATION EXCHANGE

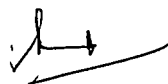
16.1. Various activities outlined under this Procedure shall be undertaken in 'Electronic Form' to the extent feasible. It is envisaged that Administrator shall devise an appropriate information sharing protocol for sharing of information with Registry, Power Exchange(s), Eligible Entities and the Commission , as may be necessary for implementation of this Procedure. The D-CRM, Administrator and the Power Exchange(s) would ensure generation and preservation of electronic trail of all transactions. Administrator shall also provide access to the Commission to view D-CRMfor reports on issuance of ESCerts to the Designated Consumers, list of eligible entities, status of ESCerts being traded and any other related reports.

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III. PROCEDURE(S) FOR DEALING OF ENERGY SAVINGS CERTIFICATES, TRANSFER AND OTHER RESIDUAL MATTERS

17. TIMELINES FOR TRANSACTION OF ESCerts

- 17.1. The Buy Bids on Power Exchange(s) may be placed by any Eligible Entity who wants to comply with the prescribed energy norms and standards for the current and/or the next cycle as per the scope of trading for transaction of ESCerts.
- 17.2. Transaction of ESCerts shall be undertaken on Power Exchange(s) in accordance with the Rules/Byelaws of the Power Exchange(s) approved by the Commission. All valid and eligible offers for ESCerts received by the Power Exchange(s) shall be considered for trading to be carried out on every Tuesday on weekly basis.
- 17.3. In the event of a public holiday or bank holiday falling on Tuesday, trading shall take place on the next working day.
- 17.4. Power Exchange(s) shall place the list of bank holidays and public holidays on their website and any changes in the trading date shall be communicated by the Power Exchange(s) to the stakeholders. If there are other exigencies warranting change in the day for trading, the Bureau can make such change as considered necessary under intimation to all concerned.
- 17.5. The bidding window would open simultaneously on all the Power Exchange(s) designated for dealing in the ESCerts by CERC from 13:00 Hrs to 15:00 Hrs on the day of trading.



17.6. The Power Exchange(s) shall intimate the details of maximum offer placed for dealing by each eligible entity to the Registry by 15:30 Hrs on the day of trading session.

17.7. The Registry shall cross-check the combined maximum bid volume in the Power Exchange(s) for each eligible entity against the quantity of ESCerts available in their respective Registry account. The Registry shall confirm the availability of the ESCerts in the respective eligible entity's Registry account by 16:00 Hrs.

17.8. The Power Exchange(s) shall discover the Market Clearing Price and the Market Clearing Volume taking into account the cross-checked report received from the Registry by 17:00 Hrs.

17.9. The Power Exchange(s) shall send the final cleared transaction by eligible entities, including details of purchase of ESCerts through 'Confirmation Report' to the Registry by 17:15 Hrs.

17.10. Registry shall send the 'Transaction Approval Acknowledgement' to the Power Exchange(s) by 17:30 Hrs.

