

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

**Coram:
Shri Jishnu Barua, Chairperson
Shri Ramesh Babu V., Member
Shri Harish Dudani, Member
Shri Ravinder Singh Dhillon, Member**

No. L-1/257/2020/(PMR-4)/CERC

Date: 27th April 2026

In the matter of Guidelines for Virtual Power Purchase Agreements (VPPAs)

STATEMENT OF REASONS

1. Background

- 1.1. The Central Electricity Regulatory Commission (hereinafter referred to as “the Commission”) vide notification dated 15th August 2021, notified the Central Electricity Regulatory Commission (Power Market) Regulations, 2021 (hereinafter referred to as “PMR 2021”). The Ministry of Power (MoP), vide its communication dated 03rd March 2025, requested the Commission to devise a suitable regulatory framework for Virtual Power Purchase Agreements (VPPAs) as Non-Transferable Specific Delivery (NTSD) based OTC contracts to facilitate RCO compliance by the regulated entities.
- 1.2. As per Clause (3) of Regulation 54 of PMR 2021, the Commission may exercise its inherent powers to deal with such matters as it deems fit. The relevant provision reads as follows:
- “54(3) Nothing in these regulations shall bar the Commission to deal with any matter or exercise any power under the Act for which no provisions have been made in these regulations, and the Commission may deal with such matters, powers and functions in a manner it deems fit.”*
- 1.3. Accordingly, vide notification dated 22nd May 2025, “The Draft Guidelines for Virtual Power Purchase Agreements” (hereinafter referred to as “the Draft Guidelines”) were prepared and published on the Commission’s website for stakeholders’ comments/

suggestions/ objections. Subsequently, a virtual public hearing was held on 18th August 2025, inviting stakeholders to submit comments/ suggestions/ objections through presentations and/or oral submissions. The list of stakeholders who have provided comments is as per Annexure-A.

- 1.4. The Guidelines for VPPA (hereinafter referred to as “the Guidelines”) have been finalised after thorough analysis and due consideration of the comments/ suggestions/ objections provided by the stakeholders, which have been further detailed in the succeeding paragraphs.

2. Introduction (Clause 1)

Commission’s proposal

- 2.1. The Commission, in the Draft Guidelines of Clause 1, included an introduction detailing the need for VPPAs to assist Consumers and Designated Consumers to meet their RCO targets.

Comments received

- 2.2. Accenture, CEEW, Click Power, MSEDCL, Prayas Energy, and WRI India emphasised the need for a clear statement of intent, outlining goals like bankability, RCO compliance and enabling battery storage and foreign investment.
- 2.3. Accenture, Apraava, BP, CEBA, CEEW, CER-IITK, CleanMax, Continuum, DSPA, Evron, FICCI, Gentari, Google, Hindustan Zinc, IWEA, MAIT, NSEFI, Renew, USISPF, and Welspun requested the inclusion of foreign entities not directly utilising electricity in India and corporates with voluntary RE targets beyond designated consumers to address Scope 2 and Scope 3 footprints.
- 2.4. CEA, IWEA, and KPI Green urged conversion of the Guidelines into Regulations or Codes under the Electricity Act, 2003, to enhance bankability and legal clarity.

Analysis and Decision

- 2.5. We have noted the comments.
- 2.6. Foreign entities, corporates, and non-power consumers with voluntary RE targets are willing to participate in the Indian power market using I-RECs/ Environmental Attributes (EAs). It

is clarified that such instruments are not within the purview of the Guidelines. In line with the Government of India’s vision to promote the addition of RE capacity in the country, the Guidelines have been prepared to facilitate Consumers or Designated Consumers in India to increase their share of non-fossil energy consumption and to meet their targets for Renewable Consumption Obligation (RCO)/ Renewable Purchase Obligation (RPO) compliance. For parties to enter into a VPPA under these Guidelines, they must adhere to the essential features of the VPPA set out in Clause 5.

- 2.7. Regarding the feedback on converting the Guidelines to Regulations, we are of the view that, given the nature of the VPPA as a bilateral OTC NTSD contract that has to be mutually agreed between the contracting parties, the Guidelines are sufficient; however, to the extent facilitation is required through Regulations, necessary amendments to the PMR 2021 and the CERC (Terms and Conditions for Renewable Energy Certificates for Renewable Energy Generation) Regulations, 2022 (herein after referred to as “REC Regulations”) have already been initiated.

3. Title and Applicability (Clause 2)

Commission’s proposal

- 3.1. The Commission in the Draft Guidelines proposed Clause 2 as follows:

“2.1. These Guidelines may be called the “Guidelines for Virtual Power Purchase Agreements.

2.2. These Guidelines shall come into effect from the date of their notification in the official gazette.

2.3. These Guidelines shall apply to the parties entering into Virtual Power Purchase Agreements (VPPAs) as defined in these Guidelines.”

Comments received

- 3.2. ClickPower and Renew questioned enforceability, suggesting the Guidelines should take the form of formal Regulations for clarity and legitimacy. TERI suggested changing the title to “Guidelines for Virtual Power Purchase Agreements based on Renewable Energy”.

- 3.3. The Ministry of Power suggested adding a provision for periodic review of the Guidelines.

- 3.4. CleanMax and DSPA suggested that the Guidelines should not be restricted to Consumers under the Electricity Act, 2003 and should also cover voluntary RE buyers.

Analysis and Decision

- 3.5. Regarding the point on changing the Guidelines to Regulations, clarity has been provided in section 2.7. Further, the current title seems appropriate.
- 3.6. A provision for reviewing the Guidelines has been added to Clause 2.2 of the Guidelines.
- 3.7. We have noted the comments and are of the view that the existing definitions of “Consumer” and “Designated Consumer” in the Guidelines broadly cover entities eligible to enter into a VPPA.

4. Scope of the Guidelines (Clause 3)

Commission’s proposal

- 4.1. The Commission in the Draft Guidelines proposed Clause 3 as follows:

“3.1. These Guidelines seek to describe the statutory framework for VPPAs.”

Comments received

- 4.2. Cyril Amarchand Mangaldas (CAM) highlighted ambiguity over which provisions are mandatory, and which are advisory, recommending clarification in scope.
- 4.3. Accenture submitted feedback on expanding eligibility (international participation and EACs) to broaden the scope of the Guidelines.

Analysis and Decision

- 4.4. We have noted the comments and have made changes to relevant clauses in the Guidelines to serve clarity on mandatory aspects for parties entering into VPPA. Clause 5 of the Guidelines sets out the essential features of the VPPA that the parties must comply with, while entering into a contract to be considered as a VPPA under these Guidelines. Clause 8 of the Guidelines details the requirement to register VPPA in accordance with the terms and conditions of the REC Regulations to ensure transparency in the accounting, transfer, and

extinguishment of the RECs. Aspects not listed in the Guidelines are to be dealt with as per the mutually agreed terms and conditions between the parties entering into VPPA.

- 4.5. Regarding expanding the scope of the Guidelines to international entities, clarity has been provided in section 2.6.

5. Definitions (Clause 4)

Commission's proposal

- 5.1. The Commission in the Draft Guidelines proposed Clauses 4.1(j) and (k) as follows:

“4.1(j) “Virtual Power Purchase Agreement (VPPA)” means the Non-Transferable Specific Delivery (NTSD) based Over-the-Counter (OTC) contracts entered between a Consumer or Designated Consumer and a RE generator, wherein, the Designated Consumer guarantees payment of the mutually agreed price (VPPA price) to the RE generator for the entire duration of the agreement. The RE generator shall sell electricity through power exchange or any other mode authorized under the Electricity Act, 2003, and the difference between the VPPA price and the market price shall be settled bilaterally between the contracting parties as per mutually agreed terms.

4.1(k) “VPPA Price” means the price of electricity as mutually agreed between a Consumer or a Designated Consumer and an RE generator either directly or through a trader or by listing on an OTC Platform”

Comments received

- 5.2. BSES, CAM, ClickPower, Engie, FICCI, Google, Grid India, IEX, IPCL, JSA, MAIT, Manikaran, NSEFI, Torrent Power, Welspun, WRI India, and USISP suggested reviewing the definition of “VPPA” and “VPPA Price”.
- 5.3. BSES, CAM, and the Ministry of Power submitted that “VPPA Price” is a non-standard terminology and may create regulatory ambiguity.
- 5.4. Multiple stakeholders, including APP, BSES, CAM, CESC, DSPA, IWEA, Joulewise, NTPC School of Business, Thapar University, and Torrent Power, requested a clear definition for “Market Price” and clarification of one-way vs. two-way CfD settlements.

- 5.5. WRI India recommended defining and differentiating "RCO" and "RPO" to avoid confusion.
- 5.6. Accenture, CEEW, and GNA suggested explicitly defining power sold without RECs as brown power and permitting the sale of brown power via OTC platforms.

Analysis and Decision

- 5.7. We have noted the comments. The definitions have been reviewed, and details regarding parties eligible to enter into a VPPA have been added to the Guidelines.
- 5.8. "VPPA Price" has been redesignated as "VPPA Strike Price" and identified as the price of electricity, mutually agreed between a Consumer or a Designated Consumer and a REGS.
- 5.9. The Commission has decided to replace "Market Price" with "Settlement Price" in Clause 4.1(n) and 7.1 of the Guidelines. Further, the definition of "Settlement Price" has been added as Clause 4.1(l) in the Guidelines and defined as the price discovered in Power Exchange or through any other mode authorised under the Electricity Act, 2003, or the PMR 2021, for the sale of electricity for purposes other than for RCO/RPO compliance.
The difference between "VPPA Strike Price" and "Settlement Price" shall be settled bilaterally between the VPPA contracting parties in accordance with mutually agreed terms and conditions.
- 5.10. RCO and RPO have been explicitly defined and added as Clause 4.1(g) and (i) in the Guidelines.
- 5.11. Brown Power does not have a standardised definition. REGS shall be allowed to sell the electricity component through Power Exchange in market segments other than GDAM and GTAM, or any other mode authorised under the Electricity Act, 2003, or the PMR 2021, and such sale/purchase shall be for purposes other than for RCO/RPO compliance. The RECs received thereby shall be transferred to the Consumer or Designated Consumer who can use such RECs for RCO/RPO compliance.

6. Overview of VPPA (Clause 5)

Commission's proposal

6.1. The Commission in the Draft Guidelines proposed Clause 5 as follows:

“5.1. A Consumer or a Designated Consumer may enter into a long-term bilateral Virtual Power Purchase Agreement (VPPA) with a Renewable Energy (RE) generator at a mutually agreed price (VPPA price).

5.2. Under this arrangement, if the RE generator sells electricity components through power exchanges (in DAM and/or RTM market segments) or any other mode authorized under the Electricity Act, 2003, the Renewable Energy Certificates (RECs) received thereby shall be transferred to the Consumer or Designated Consumer who can use such RECs for RCO compliance or for claiming green attributes. Such RECs shall not be allowed to be traded.”

Comments received

6.2. CERC received strong consensus from stakeholders like Adani Green, BP, CAM, CleanMax, ClickPower, DSPA, Eninrac, Gentari, Google, Gridco, Grid India, IPCL, Manikaran, Ministry of Power, and NSEFI to provide clarity/flexibility on terms and duration of VPPA, and allocation of RECs.

6.3. Feedback from Adani Green, APP, CEEW, DVC, Eninrac, EMA, Eranki, FICCI, IEX, IPCL, IWEA, Joulewise, KPI Green, MSEDCL, NSEFI, NTPC, NVVN, PXIL, SECI, TERI, and Torrent Power, suggested the Guidelines include provisions on:

- Compensating parties in case of unsold power, technical issues, grid curtailment, price volatility, credit risk, change-in-law, cost escalation, etc.
- Price discovery and benchmarking
- Price caps/floors, price disputes
- Settlement terms, frequency, and mechanism
- Payment security mechanism
- Risk allocation, mitigation, and force majeure
- Default on contract terms
- Termination of VPPA on change of ownership

- 6.4. Multiple stakeholders including Accenture, Adani Green, APP, CEEW, Continuum, DVC, EMA, Enirac, Eranki, FICCI, Gentari, GNA, Grid India, IPCL, IWEA, JSA, Joulewise, KPI Green, Manikaran, Ministry of Power, MSEDCL, NVVN, NTPC, PTC India, SRPC, and TERI submitted that the Guidelines should include information about the capacity being contracted under the VPPA, VPPA terms and conditions, its role, accounting, compliance and monitoring, applicable charges, etc. and it be collected at the time of registration or issuance of RECs.
- 6.5. Stakeholders like CEBA, CER-IITK, Google, Hindustan Zinc, and Renew recommended allowing I-RECs/ EAs with buyer ownership of attributes clearly defined.
- 6.6. Apraava, CAM, CEA, CEBA, CER-IITK, CleanMax, Engie, Gentari, Hindustan Zinc, and the Ministry of Power suggested adding a provision to address situations wherein the RECs issued to a consumer is more than its RCO obligation.
- 6.7. Continuum and MSEDCL sought clarification on whether RE generators are allowed to sell power through GDAM and GTAM under a VPPA arrangement.
- 6.8. EMA, FICCI, and JSA urged recognition of VPPAs as NTSD financial contracts (not derivatives), aligning them with Contracts for Differences (CfD).
- 6.9. Continuum, Engie, Eranki, FICCI, Grid India, IWEA, KPI Green, MSEDCL, NVVN, NSEFI, PTC India, PXIL, and SECI suggested adding/clarifying roles for OTC platforms, traders, and power exchanges or permitting them as counterparties/facilitators in executing VPPA, detailing their qualification criteria, governance, fees, and liabilities.
- 6.10. Stakeholders like ClickPower called for including BESS-based VPPAs; others, like Prayas, advised against DISCOM participation due to regulatory complexities.

Analysis and Decision

- 6.11. We have noted the comments and decided to suitably revise Clause 5 of the Guidelines. Clause 5.1 of the Guidelines highlights essential features of a VPPA executed between REGS and a Consumer or a Designated Consumer. The essential features of the VPPA are:

- The electricity generated by REGS shall be sold through any mode authorised under the Electricity Act, 2003, or the PMR 2021 for physical delivery;
- RECs issued to REGS shall be transferred to the Consumer or the Designated Consumer;
- The VPPA shall be a bilateral OTC non-tradable and non-transferrable contract; and
- The VPPA shall have a duration of at least 1 (one) year.

6.12. Aspects related to the VPPA/REC registry, accounting, and monitoring will be managed by Grid India in accordance with the procedure outlined in Clause 8 of the Guidelines. The REGS shall be registered in accordance with the REC Regulations.

6.13. Clarity on permitting I-RECs/EAs has been provided in section 2.6.

6.14. VPPA, being an NTSD contract, trading of RECs shall not be permitted in the event of a surplus. RECs credited to the account of a Consumer or a Designated Consumer, in excess of the RCO/RPO, may be carried forward for compliance in future years.

6.15. Under VPPA, green attributes are provided to REGS in the form of RECs. Selling electricity through GDAM and GTAM does not qualify for REC. As such, the Guidelines provide that the sale of the electricity component under the VPPA shall occur through market segments other than GDAM and GTAM.

6.16. VPPA is a bilateral OTC NTSD contract in view of the essential features highlighted in section 6.11.

6.17. The roles of OTC platforms, traders, and power exchanges are governed by the existing CERC Regulations and Guidelines.

6.18. VPPA executed between REGS and a Consumer or a Designated Consumer shall be in line with the provisions of Clauses 5, 6, 7, and 8 of the Guidelines.

7. Implementation Arrangement (Clause 6)

Commission’s proposal

7.1. The Commission in the Draft Guidelines proposed Clauses 6.3 and 6.4 as follows:

“6.3. RE generator shall be allowed to sell the electricity component through power exchanges (in DAM and/or RTM market segments) or any other mode authorized under the Electricity Act, 2003, and the Renewable Energy Certificates (RECs) received thereby shall be transferred to the Consumer or Designated Consumer who can use such RECs for RCO compliance or for claiming green attributes.

6.4. The VPPA contracts shall be non-tradable and non-transferable, and the contracting parties shall be bound by the contract terms for the entire period of the contract.”

Comments received

- 7.2. ACME submitted that the Guidelines have no mandate to install BESS under VPPA. This is not in line with the Ministry of Power’s advisory to provide for the installation of 10% BESS capacity, which can create grid instability and impose an additional burden on system operators.
- 7.3. CAM suggested transferability and tradability of RECs to enhance market liquidity and to facilitate increased participation in the voluntary RE market. Furthermore, restrictions on transferability should not extend to any assignment of the VPPA for financing purposes.
- 7.4. Stakeholders such as CAM, MAIT, and USISPF recommended allowing registration under global green attribute schemes, not just REC Regulations.
- 7.5. Stakeholders like CEBA, CleanMax, DSPA, Google, NTPC, and Renew supported limited assignment rights or transferability of contracts to affiliates, the same group company, speculators, lenders, mergers, etc.
- 7.6. EMA, FICCI, Hindustan Zinc, IWEA, IPCL, KPI Green, NTPC School of Business, and PXIL suggested making a model VPPA agreement for voluntary adoption by parties,

suggesting price structuring, minimum disclosure norms, termination, force majeure, and default/ liquidated damage clauses.

- 7.7. IPCL recommended expanding sellers beyond RE generators and that it should include distribution licensees with surplus RE, aggregators of distributed energy resources (DERs) via virtual power plants (VPPs).
- 7.8. The Ministry of Power suggested adding integrated storage for VPPA arrangements to promote capacity development and to provide demand flexibility. Hindustan Zinc suggested that thermal boilers with biomass cofiring be considered for VPPA.
- 7.9. NTPC sought clarification on ownership changes to VPPA.

Analysis and Decision

- 7.10. All the REGS projects are eligible for executing VPPA. REGS as per CERC (Indian Electricity Grid Code) Regulations, 2023 means a generating station based on a renewable source of energy with or without an Energy Storage System (like BESS) and shall include a Renewable Hybrid Generating Station.
- 7.11. The Guidelines have been prepared to facilitate Consumers or Designated Consumers in increasing their share of non-fossil energy consumption and meeting their targets for RCO/RPO compliance. Given the NTSD nature of VPPA, RECs to the credit of a Consumer or a Designated Consumer, over and above the RCO/RPO, are not permitted for transfer or trading. However, RECs may be carried forward for compliance in future years.
- 7.12. The Guidelines have been prepared to facilitate Consumers or Designated Consumers in increasing their share of non-fossil energy consumption and meeting their targets for RCO/RPO compliance. Registration under global green attribute schemes is not permitted.
- 7.13. VPPA contracts, being NTSD contracts and/or RECs connected with such contracts, are not permitted for limited assignment or transfer to affiliates, group companies, speculators, lenders, etc.

- 7.14. It is not feasible to envisage a standardised VPPA model for entities ranging from different industries/sectors. Factors not listed in the Guidelines are to be mutually discussed and decided upon in accordance with the terms and conditions between the parties entering into the VPPA.
- 7.15. Expanding the scope of sellers beyond RE generators shall defeat the intended purpose of the Guidelines.
- 7.16. All REGS are eligible to execute VPPA. REGS as per CERC (Indian Electricity Grid Code) Regulations, 2023 means a generating station based on a renewable source of energy with or without an Energy Storage System, and shall include a Renewable Hybrid Generating Station.
- 7.17. VPPA shall be a bilateral OTC, non-tradable, non-transferable contract. In the event of a change in ownership, REGS' responsibilities under the VPPA shall be transferred in accordance with applicable laws.

8. Payment Terms (Clause 7)

Commission's proposal

- 8.1. The Commission in the Draft Guidelines proposed Clause 7 as follows:

“7.1. The RE generator shall sell electricity through power exchange or any other mode authorized under the Electricity Act, 2003, and the difference between the VPPA price and the market price shall be settled bilaterally between the contracting parties as per mutually agreed terms and conditions.”

Comments received

- 8.2. BP, CEA, and CleanMax requested clarification on “Market Price” to avoid ambiguity of multiple power exchanges with varying prices.
- 8.3. CleanMax, DSPA, NSEFI, Google, Joulewise, and NSEFI sought clarity on GST and taxation on VPPA.

- 8.4. Accenture, APP, CER-IITK, CleanMax, DSPA, Enirac, IWEA, Joulewise, JSA, NTPC School of Business, NVVN, PXIL, SECI, and Thapar University sought clarity on price formulation (fixed/indexed), settlement methods/formulas/timelines, risk mitigation tools, etc. DVC, FICCI, and EMA recommended including standard payment security instruments (LCs, Escrow) to ensure timely settlements and reduce risk.

Analysis and Decision

- 8.5. “Market Price” has been redesignated as “Settlement Price”. Clarity provided in section 5.9.
- 8.6. GST and taxation shall be as per the applicable laws of the Government of India.
- 8.7. VPPA being a bilateral OTC NTSD contract, the issues relating to VPPA pricing, settlement, payment security mechanism, risk mitigation, etc., shall be dealt with as per the mutually agreed terms and conditions between the parties entering into VPPA.

Under VPPA, a Consumer or a Designated Consumer will sign a contract at the “VPPA Strike Price” with REGS. The electricity generated by REGS shall be sold at “Settlement Price” through any mode authorised under the Electricity Act, 2003, or the PMR 2021 for physical delivery, and associated RECs issued to REGs shall be transferred to the Consumer or Designated Consumer for RCO/RPO compliance.

The difference between “VPPA Strike Price” and “Settlement Price” shall be settled bilaterally between the VPPA contracting parties in accordance with mutually agreed terms and conditions.

9. Renewable Energy Certificates (Clause 8)

Commission’s proposal

- 9.1. The Commission in the Draft Guidelines proposed Clauses 8.3 and 8.4 as follows:

“8.3. The Consumer or Designated Consumer shall communicate to the REC Registry about the receipt of the RECs, upon which the REC Registry shall extinguish such certificates.

8.4. The RECs transferred to the Consumer or Designated Consumer shall be used for their RCO Compliance or for claiming green attributes.”

Comments received

- 9.2. Apraava and NSEFI recommended that the REC registry should not extinguish surplus RECs and that it should be allowed to sell the same on the exchange platform or bilaterally as per the provisions of the REC Regulations.
- 9.3. Stakeholders like DVC, Enirac, Eranki, Evron, FICCI, Grid India, IWEA, Joulewise, KPI Green, Manikaran, NTPC, NTPC School of Business, SRPC, and USISP, emphasised the need for strong metering, verification, and accounting frameworks to ensure authenticity of green claims and to avoid greenwashing. Joulewise and KPI Green called for a VPPA registry linked to the SLDC/NLDC to monitor contract performance, green power consumption, and REC transfers. Accenture suggested clarifying the REC rules, REC eligibility for projects availing transmission waivers, and standardised REC transfer protocols.
- 9.4. Multiple stakeholders like Accenture, APP, CEBA, CEEW, CleanMax, Continuum, DSPA, Engie, FICCI, IWEA, Joulewise, KPI Green, and NSEFI suggested that I-RECs be permitted for market participation to attract multinationals and ESG-driven investors and to accelerate procurement and recognition for voluntary RE usage.

Analysis and Decision

- 9.5. Surplus RECs are permitted to be carried forward for compliance in future years. VPPA, being a bilateral OTC NTSD contract, does not permit the sale of RECs.
- 9.6. Central registry for VPPAs detailing eligibility, registration, monitoring, and accountability of RECs shall be as per the procedure to be laid out by Grid India.
- 9.7. Clarity on participation of foreign entities and permitting I-RECs has been provided in section 2.6.

10. Dispute Resolution (Clause 9)

Commission's proposal

- 10.1. The Commission in the Draft Guidelines proposed Clause 9 as follows:

“9.1. Any disputes arising out of VPPA shall be mutually settled by the parties as per the terms of the contract.”

Comments received

10.2. Accenture, Adani Green, APP, Apraava, CEEW, CER-IITK, DVC, DSPA, EMA, Eninrac, FICCI, Gentari, IPCL, IWEA, Joulewise, KPI Green, MSEDCL, NSEFI, NTPC School of Business, NVVN, Prayas Energy, TERI, Thapar University, Torrent Power, advocated that VPPA Guidelines do not specify details on adjudication of disputes. Details on CERC’s role in the adjudication of disputes relating to VPPA should be provided.

Analysis and Decision

10.3. Resolution of disputes shall be settled mutually between VPPA contracting parties as per the terms and conditions agreed and finalised while executing VPPA. The Guidelines are prepared to highlight procedural aspects.

11. Additional Comments

Comments received

11.1. Gentari, Grid India, and Welspun provided feedback on the effective date and eligibility of benefits associated with RE projects.

11.2. Gridco suggested the Guidelines should have provisions to convert the existing PPAs of utilities with RE generators to VPPAs.

11.3. NTPC submitted that the Guidelines should provide clarity on whether VPPAs will be accepted as a valid contractual instrument for granting connectivity under the General Network Access (GNA) framework.

11.4. ACME, SECI, Thapar University, and Welspun suggested preventing solar-only bias by allowing technology-neutral VPPAs, such as green hydrogen, its derivatives, and BESS integration. ACME and Thapar University submitted that unrestricted VPPA use for RCO will incentivise solar, worsening ramping, and grid stability.

Analysis and Decision

- 11.5. VPPA Guidelines shall apply to both new and old RE projects. Contracts entered into prior to the effective date of the Guidelines may become eligible under the VPPA framework, provided they are restructured in accordance with the Guidelines and that the associated RE projects are duly registered.
- 11.6. The provision of converting existing PPAs to VPPAs is not envisaged currently.
- 11.7. All REGS, and not just solar projects, are eligible for executing VPPA. The Guidelines support technology neutrality and apply to all clean RE sources. REGS, as per the CERC (Indian Electricity Grid Code) Regulations, 2023, means a generating station based on a renewable source of energy with or without an Energy Storage System and shall include a Renewable Hybrid Generating Station. RCO/RPO compliance targets must be met by Consumers or Designated Consumers, in line with the Government of India's notification on the minimum share of consumption of non-fossil energy resources. VPPAs are instruments that facilitate Consumers or Designated Consumers in meeting RCO/RPO targets that may change in accordance with updated notifications from the Government of India.

Sd/- (Ravinder Singh Dhillon) Member	Sd/- (Harish Dudani) Member	Sd/- Ramesh Babu V. Member	Sd/- (Jishnu Barua) Chairperson
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Annexure-A***List of stakeholders with feedback on Draft Guidelines for VPPAs***

Sl. No.	Stakeholder Name
1	Accenture
2	ACME
3	AGEL
4	AIDA
5	AMCHAM
6	APP
7	Apraava
8	BP
9	BSES
10	CAM
11	Caparo
12	CEA
13	CEBA
14	CEEW
15	CER-IITK
16	CESC
17	CleanMax
18	ClickPower
19	Continuum
20	DSPA
21	DVC
22	EMA
23	Engie
24	Eninrac
25	Evron
26	FICCI
27	Gentari
28	GNA
29	Google
30	GRIDCO
31	Grid India
32	Himanshu Anand (Individual)
33	Hindustan Zinc

Sl. No.	Stakeholder Name
34	ICE
35	IEX
36	IPCL
37	IWEA
38	Joulewise
39	JSA
40	KPI Green
41	KR Rao (Individual)
42	MAIT
43	Manikaran
44	Ministry of Power
45	MSEDCL
46	NAME
47	NSE
48	NSEFI
49	NTPC
50	NTPC School of Business
51	NVVN
52	Prayas Energy
53	PTC India
54	PXIL
55	Renew
56	SECI
57	SRPC Secretariat
58	TERI
59	Torrent Power
60	USISPF
61	Welspun
62	WRI India