

REChronicles - From the Editor's desk

Hello Readers. Hope you enjoyed reading our previous issue of **REChronicles**.

We understand that some of you might be too busy to go through the entire newsletter from top to bottom and in the process miss out on the Renewable Energy News section and the exciting updates it contains. But we do not want any of our readers to miss out on any Industry updates. Hence, we will not be putting up the **Renewable Energy News** section in REChronicles from this month. That's right. Instead, you will receive a separate Email newsletter every month covering the latest Renewable Energy News. All our subscribed readers will shortly receive the first issue of this newsletter.

Regarding the REC Trading in October, the demand for Non-Solar RECs saw a 200% jump this month compared to that of September. On the Solar REC front too there was an increase in demand. We are beginning to think that the RPO Enforcement Orders by several states such as Punjab and Maharashtra have started showing some effect on the Open-Access and Captive Consumers. It is too early to decisively say if this is the case and we might have to wait till the end of FY 2013-14 to see the actual impact. Check out the trading numbers in the following pages.

We have, as always put in our best efforts in order to come up with the articles in this issue. We hope you enjoy reading them as much as we did while preparing this issue. Kindly give us your valuable feedback on how we can improve **REChronicles** and make it even more interesting for you to read.

Happy reading!!



REC Trading Update – October 2013

REC Inventory:

Opening at close to 3.76 Million, October trading session closed with an inventory balance of 4.11 Million RECs. The following sections give an update on the Non-Solar and Solar front.

Non-Solar

The month of October started with an Opening Balance of 3719067 Non-Solar RECs. Over the course of the month, 490425 Non-Solar RECs were issued thus putting the available number at 4209492. Of these, only 3886396 were put up for trading. Buy bids of 150640, all of which were cleared, led to a closing balance of 4058852. Following table gives the Non-Solar REC Inventory statistics for the last 3 months.

Non-Solar REC Inventory for Aug-2013 to Oct-2013 (as on 30-Oct-2013)

Month, Year	Opening Balance	REC Issued	REC Redeemed	Closing Balance
August, 2013	2709391	488824	40889	3157326
September, 2013	3157326	611572	49831	3719067
October, 2013	3719067	490425	150640	4058852

Solar

Opening at 47398 Solar RECs, 20783 were issued over the course of the month thus putting the total available Solar RECs at 68181, of which 67954 were put up for trading. The trading session closed with a Closing Balance of 58924 after the redemption of 9257 Solar RECs. Following table throws more light on the Solar REC Inventory statistics for the last 3 months.

Solar REC Inventory for Aug-2013 to Oct-2013 (as on 30-Oct-2013)

Month, Year	Opening Balance	REC Issued	REC Redeemed	Closing Balance
August, 2013	19651	12890	2359	30182
September, 2013	30182	23928	6712	47398
October, 2013	47398	20783	9257	58924



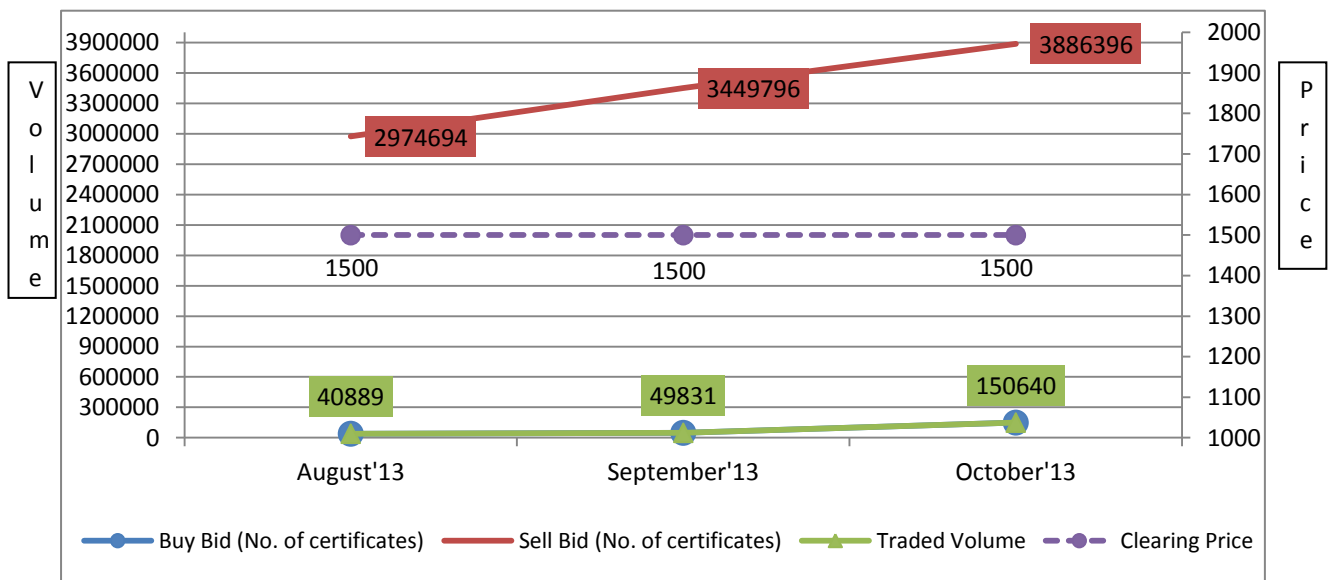
REC trading:

The number of Non-Solar buy-bids was three-fold that of the buy-bids for September. Solar REC buy-bids also continued to increase as compared to last month with the clearing price still remaining at floor price – Rs.9300. This section has more information on Non-Solar and Solar REC trading along with the forecast for next month.

Non-Solar RECs Trading:

The demand for non-solar RECs increased this month by 202.3% as compared to the previous month. As is the trend, all the Buy Bids (150640) were cleared. This resulted in a Trading Value of Rs.22.59 Crores. Clearing Price stood at the usual Rs.1500 owing to oversupply. The graph below shows the trends in Buy Bids, Sell Bids, Traded Volume and Clearing Price for the last 3 months.

Non-Solar REC trading from Aug'13 – Oct'13



Forecast for November trading session:

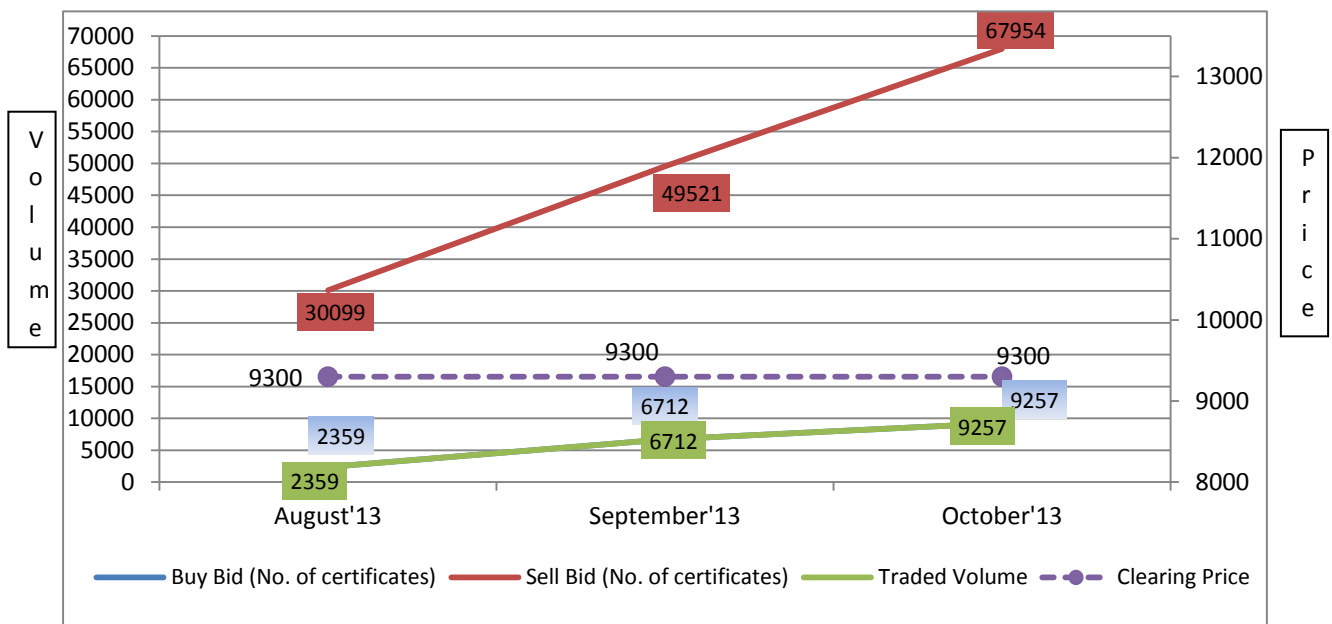
The Non-Solar inventory closed at a balance of 4.05 Million RECs. Clearing Price is bound to stick to the Floor Price of Rs.1500/REC as the inventory continues to pile up and the demand continues to stay low.



Solar RECs Trading:

This month, supply of solar RECs was 7.34 times that of demand. The total number of Sell Bids was 37.2% more than that of September and the total number of Buy Bids was 37.9% more. The clearing price for both the exchanges still remained at the floor price of Rs.9300/REC owing to continued over-supply. Also similar to last four months, all the Buy Bids (9257) got cleared resulting in a Trading Value of Rs.8.6 Crore which is the highest so far. The graph below shows the trends in Buy Bids, Sell Bids, Traded Volume and Clearing Price for the last 3 months.

Solar REC trading from Aug'13 – Oct'13



Forecast for November trading session:

Similar to last month, all the solar REC buy bids got cleared this month and there is a possibility of this trend continuing in the coming months as well. Also, with the solar inventory closing at a balance of 58924, it is quite possible for the supply of Solar RECs to continue to overshoot the demand and the clearing price to remain at the bottom, unless the demand shoots up owing to the RPO Enforcement Orders of various SERCs.



REC Capacity Addition – October'13

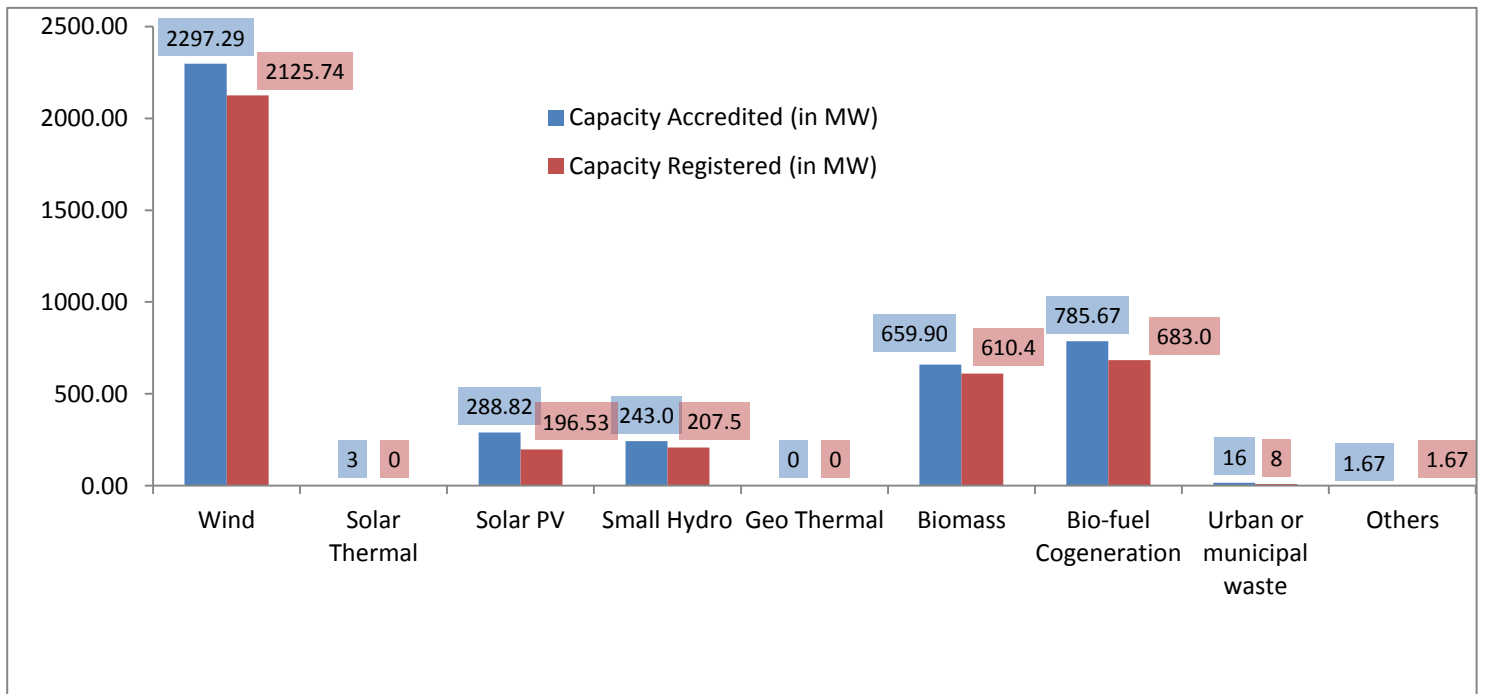
A total of 159 MW was Accredited and 42.02 MW Registered during the course of the month.

The tables below indicate the Resource-wise capacity addition in October and the total capacity as on 30th October, 2013.

Capacity Addition (MW) in October (As on 30th October 2013)

S.No.	Source	Accreditation	Registration
1.	Wind	39.91	4.5
2.	Urban or Municipal Waste	0	8
3.	Solar Thermal	0	0
4.	Solar PV	91.29	16.85
5.	Small Hydro	0	10
6.	Others	0	0
7.	Geothermal	0	0
8.	Biomass	20	0
9.	Bio-fuel Cogeneration	7.8	2.67
	Total	159	42.02

Capacity in MW based on Type of RE Source (As on 30th October 2013)



To Err is Human

As true as that quote may be, we try to avoid any mistakes in the information we give our readers. We are happy to inform that there were no mistakes identified in the previous issue of REChronicles.

We have ensured that there are no mistakes in the current issue. Please bring to our notice any mistakes you identify so that we can publish the same in the next issue for the benefit of all the readers.

Thank you!!

What next?

We hope that we have met your expectations thus far. If you think we haven't, do write to us or call us on the contact details provided below.

Our next issue will contain:

- REC Trading Update for November
- REC projects capacity addition in November

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We would love to hear from you. Drop us an email at pradeep@efficientcarbon.com or give a call on +91-9052224701.

Thank you!



About EfficientCarbon

EfficientCarbon (<http://efficientcarbon.com/>) is a Hyderabad based company working in the **Energy, Environment** and **Sustainability** domain. We provide focussed services in the following areas:



Our team consists of graduates from reputed institutions such as BITS-Pilani and IFMR-Chennai with several years of experience in companies like Infosys, Godrej and Titan. We are also supported by a team of advisors who, on an average, have more than 25 years of experience in the above mentioned areas.

We have successfully executed several projects for our esteemed clients such as Maha Cements, Andhra Pradesh State Co-operative Bank (APCOB), Ramco Systems, Capital IQ, GTP Granites and Andhra Pradesh Pollution Control Board (APPCB).

Renewable Energy and REC Advisory:

We have a highly qualified team with expert knowledge on the commercial and technical aspects of various Solar Energy technologies. Also, we pride ourselves in being capable of delivering the best services on the REC front as we are backed-up by a powerful back-end which constantly monitors the REC Market.

Renewable Energy Certificates

Accreditation, Registration, Issuance and Trading

Financial Analysis for projects

Market Intelligence

Solar Power Plants

Financial Analysis for Industrial and Grid-scale

Evaluating technology options

Market Assessment and Pre-Feasibility Reports

Preparing Bid documents for tenders

