

Important features of transaction of ESCerts:

1. All the DCs to whom MoP has issued/entitled to purchase ESCerts have to get themselves registered with POSOCO for becoming eligible entities (as defined in clause 2.2 of the Procedure) to participate in trading/transaction of ESCerts. **BEE being the Administrator shall inform the date of opening of Registration to all DCs along with the fee details. The date of trading of ESCerts commencement shall also be informed by Administrator.**
2. As per clause 9 of the Procedure all DCs applying to become eligible entity shall pay two types of fee i.e. (i) One time Registration fee; and, (ii) ESCert fee to be paid by DCs to whom ESCerts have been issued by MoP.
3. Who are sellers? – Those DCs to whom ESCerts have been issued in their respective PAT cycle (see clause 2.2.1 of the Procedure)
4. Who are buyers? – Those DCs who have been entitled to purchase ESCerts by MoP are the buyers. (see clause 2.2.2 of the Procedure)
5. Sellers can sell the ESCerts issued to them by MoP in their respective PAT cycle. However, bids placed by them at both the exchanges should not be more than the quantity of ESCerts available for transaction in their Registry account (see clause 14.4 step 4(b)) at any point of time.
6. Buyers can purchase ESCerts beyond their compliance in respective PAT cycle (see clause 14.4 step 4(c)). However, it may be noted that ESCerts once purchased cannot be resold (see clause 2.4 of the Procedure).
7. As per PAT Rules, amended in March 2016, Rule no. 12(6) and 13 (2), the DCs may use balanced energy saving certificates after the compliance, if any, for the purpose of banking and such banked ESCerts may be used for the compliance of their next cycle or sell to any other DC for the compliance within the validity period. Validity period for ESCerts issued during current cycle is till the completion of the compliance period of respective DC's next cycle.
8. As per the clause 3.2 to 3.4 of the Procedure, there is a provision of maximum 30 working days for registration with Registry (POSOCO). After registration with Registry the DCs shall register themselves with Power exchanges and trading of ESCerts shall commence subsequently.
9. Trading/transaction of ESCerts shall be done on continuous basis i.e. every Tuesday on weekly basis. After submission of Form D (see clause 8.6 of the Procedure) in June, the trading of ESCerts shall continue with respective sellers and buyers as defined in clauses 2.2.1 and 2.2.2 respectively.
10. As per the clause 4.4 of the Procedure and 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.