

Assam Renewable Energy Tariff Regulations - 2012

HIGHLIGHTS

Tariff Period	Technology	Years
	Wind, small hydro (5 MW to 25 MW), biomass based on Rankine cycle, non-fossil fuel based cogeneration.	13
	Biomass gasifier and biogas	20
	Solar PV and solar thermal	25
	Small hydro below 5 MW	35
Control Period	5 years, of which the first year shall end on 31.03.2013.	
Useful Life of a Plant	Technology	Years
	Non-fossil fuel based cogeneration, biomass based on Rankine cycle, biomass gasifier, biogas.	20
	Wind, solar PV, solar thermal	25
	Small hydro	35
Technology-wise Net Tariff (Rs./kWh)	Not available	

Capital Cost	• All capital costs are for FY 2012-13, and the same for subsequent years are determined using indexation formula given in Regulations.	
	Technology	Capital Cost (in Rs.lakh/MW)
	Wind	575
	Small hydro below 5 MW	770
	Small hydro (5 MW to 25 MW)	700
	Biomass based on Rankine cycle technology (water-cooled condenser)	445
	Non-fossil fuel based cogeneration	420
	Solar PV	1000
	Solar thermal	1300
	Biomass gasifier	550
	Biogas	1100
Operation and Maintenance (O&M) Expenses	Technology	O&M Cost (in Rs.Lakh/MW) for FY 2012-13
	Wind	9
	Small hydro below 5 MW	25
	Small hydro (5 MW to 25 MW)	18
	Biomass based on Rankine cycle (with water-cooled condenser)	24
	Non-fossil fuel cogeneration	16
	Solar PV	11
	Solar thermal	15
	Biomass gasifier	40
	Biogas	40
	O&M cost is escalated at 5.72% per annum.	
Interest Rate on Loans	Average State Bank of India base rate prevalent during first six months of the previous year plus 300 basis points.	

Depreciation	5.83% for first 12 years and remaining depreciation spread over residual useful life of the project.
Return on Equity	<ul style="list-style-type: none"> • Pre-tax 20% per annum for first 10 years. • Pre-tax 24% per annum from 11th year onwards.
Interest on Working Capital	Average State Bank of India base rate prevalent during first six months of the previous year plus 350 basis points.

OTHER PROVISIONS

Tariff structure and design	Generic, levellised tariff for the tariff period
Subsidy or/and incentives by government	Any incentive or subsidy provided by the central or state government including accelerated depreciation benefit would be taken into consideration for determination of tariff.
Rebate	<ul style="list-style-type: none"> • 2% - for payment through Letter of Credit • 1% - for payments not through Letter of Credit but within 1 month from the date of presentation of bills.
Late payment surcharge	1.25% per month, for payment of bills beyond a period of 60 days from the date of billing.
Links	http://www.aerc.nic.in/Regulations.htm
References	http://www.aerc.nic.in/AERC_RE_Tariff_Regulations_2012.pdf