

Arunachal Pradesh Renewable Energy Tariff Regulations - 2012

HIGHLIGHTS

Tariff Period	Technology	Years
	Wind, small hydro (5 MW to 25 MW), biomass based on Rankine cycle, solar thermal	13
	Biomass gasifier	20
	Solar PV	25
	Small hydro below 5 MW	35
Control Period	<ul style="list-style-type: none"> · 5 years, of which the first year shall be FY 2012-13. · Amended regulation 2017 shall be effective between 1st April, 2017 and 31st March, 2018 	
Useful Life of a Plant	Technology	Years
	Non-fossil fuel based co-generation, biomass based on Rankine cycle, biomass gasifier, biogas	20
	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 is determined using indexation formula in the regulations.	
	Technology	Capital Cost (in Rs. Lakh/MW)
	Small hydro below 5 MW	700
	Small hydro (5 MW to 25 MW)	630
	Biomass based on Rankine cycle (water-cooled condenser)	445
	Solar PV	1000
	Biomass gasifier	550
Operation and Maintenance (O&M) Expenses	All O&M costs are for FY 2012-13, and the same for subsequent years shall be escalated at the rate of 5.72% per annum.	
	Technology	O&M Cost (in Rs. lakh/MW)
	Small hydro below 5 MW	25
	Small hydro (5 MW to 25 MW)	18
	Biomass based on Rankine cycle technology	24
	Solar PV	11
	Biomass gasifier	35
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	20% per annum for first 10 years. 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	<ul style="list-style-type: none"> • Generic, single part, levelled tariff for the tariff period. • Project specific tariff shall be determined by the commission on case to case basis for Municipal Solid Waste projects and any other new technologies approved by MNRE • Project specific tariff for small hydro projects of capacity 1 MW and above, unless tariff is determined through a process of open tariff based bidding. • Project specific tariff shall be determined on annual basis.
Merit Order Despatch Principle	Power plants, except biomass, with installed capacity of 10 MW and above are ‘must run’ plants and not subject to ‘merit order dispatch’ principles.
Subsidy or/and Incentives by state/central 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.apserc.in/regulation.html
References	http://www.apserc.in/pdf/Regulations/7-Final-Renewable-Energy-Tariff-9-4-2012-7th-Notification.pdf http://www.apserc.in/pdf/Regulations/23-RE-TARIFF.pdf