

Delhi Grid-connected Solar PV Tariff Regulations - 2013

HIGHLIGHTS

Tariff Period	25 years.
Control Period	<ul style="list-style-type: none">• 3 years, of which first year would be FY 2012-13.• Valid until further notification of revised regulations.
Useful Life of a Plant	25 years.
Net Tariff	Not available
Capital Cost	<ul style="list-style-type: none">• Rs.1000 lakhs/MW for FY 2012-13.• Ceiling limit may be reviewed annually.
Operation and Maintenance Expenses (O&M)	<ul style="list-style-type: none">• Rs.11 lakhs/MW for first year of operation.• 5.72% annual escalation from second year onwards.
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 previous year plus 350 basis points.

OTHER PROVISIONS

Tariff structure and design	Levelling, single part tariff.
Merit Order Despatch Principle	'Must run' power plants and hence not subject to merit order despatch principles.
Subsidy or/and incentives by government	Any incentive or subsidy provided by the central or state government including generation based incentive and accelerated depreciation benefit would be taken into consideration.
Rebate	<ul style="list-style-type: none"> • 2% - for payment through Letter of Credit. • 2% - for inter-bank e-transfers. • 1% - for payments other than 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.derc.gov.in/
References	http://www.derc.gov.in/Regulations/DERCRegulations/Regulations%202013/Grid%20Connected%20Solar%20PV%20Projects%20Regulation%202013.pdf