

Haryana Renewable Energy Tariff Regulations - 2010

HIGHLIGHTS

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| Tariff Period | Generally corresponding to project life or period provided in the PPA. | |
| Control Period | Second control period - 4 years, of which the first year would be FY 2013-14 (As per fourth amendment regulations, 2015). | |
| Useful Life of a Plant | Technology | Years |
| | Non-fossil fuel based co-generation, biomass, municipal solid waste to energy. | 20 |
| | Wind, solar PV, solar thermal | 25 |
| | Small hydro | 35 |
| Net Tariff | Not available | |

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| Capital Cost | Technology | Capital Cost (in Rs. lakh/MW)† |
| | Wind (FY 2013-14) | 604 |
| | Small hydro below 5 MW (FY 2010-11) | 550 |
| | Small hydro between 5 MW and 25 MW (FY 2010-11) | 500 |
| | Biomass with water cooled condenser (FY 2013-14) | 540 |
| | Biomass with air cooled condenser (FY 2013-14) | 580 |
| | Non-fossil fuel cogeneration (FY 2010-11) | 445 |
| | Solar PV with PV poly crystalline (FY 2014-15) | 705 |
| | Solar PV with PV thin film and rooftop (FY 2014-15) | 681 |
| | Solar PV canal top (FY 2014-15) | 800 |
| | Solar thermal (FY 2013-14) | 1200 |
| | MSW based on Rankine cycle technology (FY 2016-17) | 1500 |
| | †All capital costs are determined for subsequent years using indexation formula given in the regulations except for solar technologies and MSW. | |
| | Operation and Maintenance (O&M) Expenses | Technology |
| Wind | | 6.50 |
| Small hydro below 5 MW | | 17.00 |
| Small hydro (5 MW to 25 MW) | | 12.00 |
| Biomass | | 40.00 (FY 2013-14) |
| Non-fossil fuel cogeneration | | 13.35 |
| Solar PV | | 9.00 |
| Solar thermal | | 13.00 |
| Municipal Solid Waste to Energy | | 6.5 of normative capital cost (FY 2016-17) |
| <ul style="list-style-type: none"> • O&M cost is escalated at the rate of latest available WPI and CPI with weightage of 55% and 40%, respectively. • O&M cost of FY 2016-17 shall be escalated @5.72% per annum. | | |

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| Interest Rate on Loans | Average State Bank of India long term prime lending rate/base rate prevalent during the previous year. | | |
| Depreciation | 7% for first 10 years and remaining depreciation spread over the residual useful life of the project. | | |
| Return on Equity | <ul style="list-style-type: none"> • 16% per annum on normative equity capital. • MAT and corporate tax shall be separately invoiced. | | |
| Interest on Working Capital | Average State Bank of India base rate prevalent during the first six months of the previous year plus 300 basis points. | | |
| Renewable Purchase Obligation (RPO) | Year | Minimum quantum of purchase (in %) from renewable energy sources | |
| | | Solar | Non-solar |
| | 2016-17 | 1.00 | 2.75 |
| | 2017-18 | 1.25 | 2.75 |
| | 2018-19 | 1.50 | 3.00 |
| | 2019-20 | 2.00 | 2.75 |
| | 2020-21 | 2.50 | 2.50 |
| | 2021-22 | 3.00 | 2.50 |
| | <ul style="list-style-type: none"> • Obligation to purchase renewable energy shall be inclusive of renewable energy purchase already being made. • Renewable energy purchase under power purchase agreement already entered into shall continue till its validity, even if the total renewable energy purchase exceeds RPO. • Compliance (FY 2015-16) - 73.90% | | |
| Obligated Entities | Distribution licensees, captive users and long term open access consumers in Haryana. | | |
| Ways to Meet RPO | Purchase of energy or certificates or a combination thereof. | | |
| Certificates | <ul style="list-style-type: none"> • Obligations to fulfil solar and non-solar purchase shall be met by purchase of solar and non-solar certificates, respectively. • Certificates purchased shall be submitted to the Commission by the obligated entity in accordance with detailed procedures issued by the Central agency. | | |

OTHER PROVISIONS

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| Tariff Structure and Design | Generic, single part, levellised tariff for the tariff period. |
| Merit Order Despatch | "Must run" - all renewable energy plants except biomass with capacity of 10MW and above and non-fossil fuel based co-generation plants. |
| 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. |
| State agency | Haryana Renewable Energy Development Agency (HAREDA). |
| Effect of default | <ul style="list-style-type: none"> • The Commission may direct obligated entities who fail to fulfil their obligations and do not purchase certificates, to deposit an amount into a separate fund to be created and maintained by the obligated entity. • The amount to be deposited shall be determined based on the shortfall in RPO and forbearance price. |
| Monitoring and implementation framework | Not available |
| Links | https://herc.gov.in/Regulation/1.aspx |
| References | https://herc.gov.in/writereaddata/pdf/20110203(1).pdf https://herc.gov.in/writereaddata/pdf/20110905(1).pdf https://herc.gov.in/writereaddata/pdf/20111125(1).pdf https://herc.gov.in/writereaddata/pdf/r20140715.pdf https://herc.gov.in/writereaddata/pdf/r20150812.pdf https://herc.gov.in/writereaddata/pdf/r20161005.pdf |