

Himachal Pradesh Renewable Energy Tariff Regulations - 2012

HIGHLIGHTS

Tariff Period	Technology	No. of Years
	Small hydro power	40
	Solar PV	25
	MSW and RDF	20
	Tariff period for other technologies shall be as determined by the Commission.	
Control Period	December 18, 2012 to March 31, 2017	
Useful Life of a Plant	Technology	No. of Years
	Small hydro	40
	Wind, solar PV and thermal	25
	Biomass, non-fossil fuel based cogeneration	20
	For any other MNRE approved technology this may be fixed by the Commission.	
Technology-wise Net Tariff	Technology	Net Tariff (Rs./kWh)
	SHP Category - I (100 kW to 2 MW)	3.04
	SHP Category - II (2 MW to 5 MW)	2.98
	SHP Category - III (5 MW to 25 MW)	2.89
	Solar PV (up to 1 MW)	5.31
	Solar PV (above 1 MW to 5 MW)	2.25
	MSW (gross tariff)	7.04
	RDF based MSW (gross tariff)	7.90

Capital Cost	Technology	Capital Cost (Rs. lakh/MW)
	Small hydro (above 100 kW to 2 MW)	780.00
	Small hydro (above 2 MW to 5 MW)	750.00
	Small hydro (Above 5 MW to 25 MW)	700.00
	Solar PV up to 1 MW	569.77
	Solar PV above 1 MW to 5 MW	561.82
	MSW	1500.00
	RDF	900.00
Operation and Maintenance (O&M) Expenses	Technology	O&M Cost (Rs. lakh/MW)
	Small hydro (above 100 kW to 2 MW)	25.00
	Small hydro (above 2 MW to 5 MW)	22.00
	Small hydro (above 5 MW to 25 MW)	18.00
	Solar PV up to 1 MW	7.00
	Solar PV above 1 MW to 5 MW	7.00
	MSW	90.00
	RDF	54.00
	• Escalation shall be considered at the rate of 5.72% per annum.	
Interest on Loan	Average State Bank of India base rate prevalent during 6 months preceding the date of commencement of these regulations plus 300 basis points.	
Depreciation	• 5.83% per annum till such time that the repayment of loan component is required (after adjusting the amount of subsidy). • Remaining depreciation shall be spread over the residual useful life of the project.	
Return on Equity	• 19% per annum - for first 10 years. • 22% per annum - from 11th year onwards.	
Interest on Working Capital	In case of tariff determination on financial year basis, interest rate would be average base rate of the State Bank of India prevalent during the first six months of the previous year plus 350 basis points.	

OTHER PROVISIONS

Tariff structure and design	Single part, levellised tariff for the tariff period.
Merit order despatch	Not Available
Subsidy or/and Incentives by government	Any incentive and/or subsidy and/or grant provided by the central or state government including accelerated depreciation benefit would be taken into consideration for determination of tariff.
Rebate	• 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://hperc.org/?page_id=172
References	http://hperc.org/File1/re12final.pdf http://hperc.org/File1/promo_generation15.pdf http://hperc.org/File1/promogen%20216.pdf