

Haryana Bio Energy Policy, 2018

HIGHLIGHTS

Nodal Agency	Haryana Renewable Energy Development Agency (HAREDA) - responsible for facilitating bio energy projects and implementing the policy.
Targets	Minimum 150 MW biomass based power generation (or equivalent) by 2022.
Eligibility	<ul style="list-style-type: none"> • Technologies approved by MNRE and categorized by <ul style="list-style-type: none"> - biomass based projects for power generation using Rankine Cycle, - bio-CNG/biogas cum organic manure projects using advanced anaerobic digestion and - bio fuels/bio ethanol and other innovative technologies. • Project developer may be individual/company/firm/group of companies or a joint venture/consortium of maximum 4 partners having minimum 26% share of leading partner. • Capacity of the proposed project should not be more than 80% of potential available after taking into account existing biomass projects in the proposed district. • Only projects with new plant and machinery will be allowed • Only air cooling systems will be allowed under this project
Tariff or Purchase Price	<ul style="list-style-type: none"> • To be determined through competitive bidding • Competitors will offer their most competitive rate subject to tariff decided by HERC being the ceiling tariff • PPA signed with the licensees/utilities will be valid for plant life or 35 years whichever is earlier • Tariff shall be decided by HERC for sale of surplus power to the utilities by old captive/cogeneration plants • Developers will have to submit petition to the HERC for determination of tariff of technologies for which tariff has not been notified by the HERC. • Standards, purchase price and incentives for bio-fuels, bio-CNG and bio fertilizers shall be governed by policies of government of India as applicable from time to time.

<p>VAT/GST/Tax Holidays</p>	<ul style="list-style-type: none"> • Exemptions on VAT/GST on plant and machinery as per government of Haryana notification from time to time • Full exemption from Octroi on biomass fuels • 100% exemption from entry tax for all supplies made for setting up and trial operations of the projects • Reaper, raiker, baler and trawlers will be provided either on rent or on upfront subsidy as per the schemes of the Agriculture & Farmer Welfare Department, Haryana, in force from time to time. • Organic fertilizers produced from bio energy projects will be promoted provided they meet specifications & standards prescribed for the purpose from time to time. • Preferential purchase of bio fuels from projects for using in public transport vehicles. • All the incentives available to new industrial projects will be applicable to the bio energy projects developed under this policy as per Industrial policy of the State. • Projects will be eligible for Central and State Financial Assistance and other exemptions.
<p>Invitation of Proposal and Approval Procedure</p>	<ul style="list-style-type: none"> • HAREDA shall invite proposals for competitive bidding wherever it is required. • Area demarcation for projects and attachment of biomass to projects shall be done by Department of Agriculture and Farmer Welfare. • HAREDA shall obtain comments from the Department of Agriculture on availability of surplus before inviting proposals for projects. • Project developers for industrial cogeneration who has carried out prefeasibility studies for captive use and has ensured feed stock supply shall be allowed to participate in the bidding provided power sold from such projects shall be limited to 49% of total power generated at tariff determined by HERC. • Technical Appraisal Committee (TAC) with at least one external expert shall be formed to appraise the proposals or bids and the TAC will submit report within one month. • Up to 5 MW capacities for power generation or up to Rs.50 Cr investment otherwise will be considered and approved by the Board of Governors of HAREDA on the recommendations of TAC within two months' time. • Above 5 MW capacities for power generation or above Rs. 50 Cr. investment otherwise will be considered and approved or rejected by a high powered committee constituted by the state government under the chairmanship of administrative secretary, new and renewable energy department of Haryana after getting report from TAC within two months' time. • After the project is approved, HAREDA will issue a letter of intent and it will enter into an MoU with the private investors for preparation of DPR within one month after deposit of the security money. • After approval of the DPR, the project developer will have to sign PPA with the utilities/licensee within two months from getting approval from HERC. • If the timelines are not followed by the applicant, the allocation may be terminated and the security deposit may be forfeited. • Projects completion time is 36 months from the date of signing the MoU. Extension will be allowed where at least 50% of the cost has been incurred with certain penalty.

Documents and Fees

Application in the prescribed format complete in all respect along with necessary documents mentioned in the application format and requisite fees need to be submitted.

OTHER PROVISIONS

Land	<ul style="list-style-type: none">• Projects may set up on agricultural land.• Lease of panchayat land for minimum of 35 years• Projects will be exempted from getting land use approval, external developmental charges (EDC), scrutiny fees and infrastructure development charges.• EDC is payable at prorated basis if special service is required• After the expiry of PPA period or plant operation is closed land will have converted to the original status of land.• Land use will be outside the purview of the land ceiling act of the government.• Irrigation Department/ Agriculture Department will allow canal/ ground water usage (not for condensers) at 50% of the charges applicable to industrial units in the State, on priority basis within one month from the date of application by the project developer.
Grid Interfacing and Power Evacuation	<ul style="list-style-type: none">• Grid connection will be as per the State Grid Code.• All evacuation arrangements within project premises for captive power projects or sale through open access shall be done by the project developer following the norms.• The State transmission utility or the transmission/distribution licensee shall bear the cost of extra high voltage (EHV)/ high voltage (HV) transmission line up to a distance of 10 km from the inter-connection point beyond which the cost shall be borne equally between the generator and the licensee.• The cost of any augmentation required after the interconnection point shall also be borne by the concerned transmission/distribution Licensee.• Electricity connection to the project will be provided within seven days from the date of application on priority basis.

Third Party Sale, Wheeling, Banking and Open Access	<ul style="list-style-type: none"> • Name of the third party shall be provided in the application and only surplus power after selling to the utilities can be sold to the third party. • No wheeling and banking charges • Banking will be allowed on annual basis • IPP will pay the difference between the UI charges at the time of injection and at the time of withdrawal. • Withdrawal of banked power will be allowed only during non-peak hours. • If the banked energy is not utilized within a period of twelve months from the date of power banked, it will automatically lapse and no charges shall be paid by the licensee or utility. • Inter and intra state open access for captive within and outside of premises, third party sale and sale to DISCOMs simultaneously is allowed.
MUST RUN Status	<ul style="list-style-type: none"> • Biomass projects up to 10 MW capacity will be treated as MUST RUN plants.
Exemption from Charges	<ul style="list-style-type: none"> • 100% exemption from fee payment and stamp duty charges for projects in B, C and D category as defined in the Haryana Enterprise Promotion Policy, 2015. • No fee will be charged by the Pollution Control Board for issuing Consent to Establish (CTE) and Consent to Operate (CTO) for such project anywhere in the State. • No transmission and distribution charges, cross subsidy charges, surcharges and reactive power charges.
Other Aspects	<ul style="list-style-type: none"> • Other terms and conditions of State Policy for Promoting Generation of Electricity through Renewable Energy Sources dated 23.11.2005 as amended from time to time, Haryana Electricity Regulatory Commission (terms and conditions for determination of tariff from Renewable Energy Sources) Regulations 2010 and guidelines issued by the CERC / MNRE/GOI from time to time shall also be applicable. • All project developers shall be required to submit monthly fuel usage verification statement. • Monthly information with regard to energy generated, revenue earned, power factor and plant load factor achieved, reasons for non-achievement of full generation etc. shall submitted to HAREDA.
Link	http://hareda.gov.in/
Reference	http://hareda.gov.in/writereaddata/news/hareda075128294.pdf