

Assam Hydro Policy - 2008

HIGHLIGHTS

Nodal Agency	Assam State Electricity Board, Government of Assam (GOA)
Applicable Technologies	Hydro-power (up to 25 MW)
Targets under Policy	Not specified
Incentive Amount	No capital subsidy, no entry tax will be levied by the state government on power generation and transmission equipment except on building materials for projects.
Merit Order of Despatch	Priority will be accorded for dispatch into the grid by IPPs/users society and any other source of supply ahead of merit order, subject to overall restrictions on the proportion of power that may be bought from such sources.
Banking	Developers can avail of banking of energy within fixed period spans of 6 months.
Project Allocation	Shall be for a period of 35 years from the date of the award. Thereafter the project shall revert to the state govt. Extension beyond 35 years dependent on mutually agreed terms, as per the decision of the state govt.

OTHER PROVISIONS

The policy encourages private participation in utilizing the hydro potential of the state. Renovation and modernization of old hydro plants is also encouraged.

<p>Process of allotment</p>	<ul style="list-style-type: none"> • Application with non-refundable draft payable to ASEB/GENCO or as decided by the state govt.: Rs. 0.25 lakhs for 5 MW project capacity. • Pre-qualified bidders will be provided with PFRs/DPRs prepared by ASEB/GENCO or any other IPP/Users society nominated by the power dept.of the state govt. • Bids shall be invited for premium, payable upfront, to the Government of Assam, per MW, in the case of each project/site, subject to a minimum threshold premium of Rs. 1 lakh per MW installed capacity or part thereof. • Projects will be allotted to the highest bids.
<p>Sale of power</p>	<p>The IPP /Users society can contract to sell power to any HT consumer within Assam (only up to 5 MW capacity), to local rural grids within Assam which are not connected to ASEB's/successor company's main grid, to rural power distribution entities (i.e. those which sell power to predominantly rural areas), to any consumer outside the state, or to the ASEB/successor company.</p>
<p>Wheeling charges</p>	<ul style="list-style-type: none"> • The infrastructure and facilities of ASEB/DISCOMs/TRANSCO will be made available to all IPPs/user's society for wheeling generated energy. • No wheeling charges applicable for sale to ASEB/successor company where power is supplied directly to ASEB/DISCOMs.
<p>Evacuation of power</p>	<ul style="list-style-type: none"> • ASEB/GENCO will determine the specifications of evacuation facilities required, including the interconnection point and voltage. The same would be specified in the project information document of the application form. • ASEB/GENCO will carry out the implementation of evacuation facilities at mutually negotiated charges. The cost of transmission lines in excess of 5 km shall be borne by the IPPs/Users society and ASEB/GENCO on mutually agreed terms and conditions.

<p>Royalty/Duty/Tax</p>	<ul style="list-style-type: none"> • For projects up to 5 MW, there will be no royalty charges, provided all the energy generated is sold within the state of Assam. • For projects >5 MW, a royalty @Rs. 0.25 per unit of net energy generated, will be paid to the state govt. by IPPs/Users society. It may be reviewed after 5 years. • Power projects on irrigation canal fall/barrages/dams, will attract a water cess @Rs.0.05 per kWh, per year, payable by IPPs/Users society to the state irrigation department. • No further levies, taxes, or charges, for a period of ten years from the date of this policy, other than those stipulated.
<p>Time limit for project execution</p>	<ul style="list-style-type: none"> • The IPP/Users society shall complete all submissions within 6 months from the date of allotment, or any other period deemed fit by the state govt. • Nodal agency shall accord approval of the DPR/ application within 2 months from submission. IPP shall enter into an implantation agreement with the nodal agency within one month from the date of approval of the project. • The IPP/Users society shall achieve financial closure within 12 months from the date of receipt of all statutory approvals and clearances by the State and Central Governments. • Project should be operational within 36 months from the date of receipt of all statutory approvals and clearances.
<p>Renovation &modernization</p>	<ul style="list-style-type: none"> • The state govt.encourages renovation and modernization of existing plants owned by ASEB/GENCO/ IPPs/Users society which technically conform to the conditions of extension of operative life by more than 20 years, at a fraction of the cost of new plants. • The state govt. will decide to intrude the private sector, or NGOs or cooperative societies or any power development societies on case-to-case and merit basis.

Links	http://apgcl.org/
References	http://www.apgcl.org/Assam%20SHP%20Policy%20Aug%2016,%202007.pdf