

KERALA STATE ELECTRICITY REGULATORY COMMISSION

**(Renewable Energy) Regulations, 2015, Dated: 11-11-2015 with amendment
Dated: 02-11-2017**

Sl. No.	Description	Summary			
1.	Renewable Purchase Obligation (RPO)	Financial Year	Minimum Non-solar RPO as % of total consumption (excluding hydro power) within the area of distribution licensee	Minimum solar RPO as % of total consumption(excluding hydro power) within the area of distribution licensee	Total RPO target as % of total consumption
		2016-17	4.50	0.50	5.00
		2017-18	6.00	1.50	7.50
		2018-19	7.00	2.75	9.75
		<p>The quantum of electricity generated by a person who is an obligated entity, using grid interactive renewable energy system and consumed by him in excess of his renewable purchase obligation, may be accounted towards the renewable purchase obligation of a distribution licensee, provided said distribution licensee affords to such person, the benefit of banking facility for such excess consumption of electricity.</p>			
2.	Certificates	<ol style="list-style-type: none"> 1. If the quantum of renewable energy purchased from solar sources by an obligated entity falls short of its solar renewable purchase obligation, during any financial year, such obligated entity shall purchase the solar certificates, to make good such shortfall. 2. If the quantum of renewable energy purchased by an obligated entity falls short of its renewable purchase obligation, during any financial year, such obligated entity shall purchase non-solar certificates or solar certificates, to make good such shortfall. 3. The obligated entity shall deposit with the Commission the certificates purchased by it from the power exchange with a report on the compliance of its renewable purchase obligation. 			
3.	State Agency	<ol style="list-style-type: none"> 1. A State Agency for accreditation and recommending the renewable energy projects for registration and for undertaking the functions under these regulations shall be designated by the Commission. 2. The Commission may from time to time fix the remuneration and charges payable to the State Agency for the discharge of its functions under these regulations. 			
4.	Effect of default	<ol style="list-style-type: none"> 1. In case any obligated entity fails to comply with its renewable purchase obligation as provided in these regulations during any financial year and fails to purchase the required number of certificates, the Commission may by order, direct such obligated entity to deposit into a separate fund, to be created and maintained by such entity, in accordance with the directions issued by the Commission, such amount as the Commission may determine on the basis of the shortfall in the renewable purchase obligation and the forbearance price thereof. 2. The fund so created shall be utilized in such manner as may be directed by the Commission for the purchase of certificates or for such other purposes for promoting the renewable energy within the State. 			

5.	Banking Facility	<p>1. The distribution licensee shall, on application by a prosumer, provide banking facility for the renewable energy generated by him if the capacity of the renewable energy generating system of the prosumer is of and below one megawatt.</p> <p>2. The distribution licensee may, on application by a prosumer, provide banking facility for the renewable energy generated by him if the capacity of the renewable energy generating system of the prosumer is above one megawatt.</p>		
6.	CDM Benefits	The benefits if any, received from clean development mechanism or such other programmes shall be shared between renewable energy generating unit and distribution licensee which purchases renewable energy from the said unit.		
7.	Control Period	5-Years (2015)		
8.	Tariff Period	Sr. No.	RE Technology	Tariff Period (in Years)
		1.	Solar PV Power Projects	25
		2.	Wind Power Projects	25
		3.	Small Hydro Power projects	35
9.	Loan Tenure	12 Years		
10.	Interest on Loan Capital	12.76%		
11.	Debt-Equity Ratio	70:30		
12.	Return on Equity	<p>For 1st 10 years-20%</p> <p>From 11th year onwards-24%</p>		
13.	Interest on Capital Cost	<p>13.26% (for Solar PV, Small Hydro upto 1 MW & Wind Power Projects)</p> <p>13.50% (for Small Hydro Power projects 1-25 MW)</p>		
14.	Capital Cost	Sr. No.	RE Technology	Capital Cost (in Lakh/MW)
		1.	Solar PV Power Projects	530.02
		2.	Wind Power Projects	619.807
		3.	Small Hydro Power projects	
			Below 1 MW	646.755
1 MW – 25 MW	592.586			
15.	Operation and Maintenance Expenses	Sr. No.	RE Technology	O & M Expenses (in Lakh/MW)
		1.	Solar PV Power Projects	7.0
		2.	Wind Power Projects	11.24
		3.	Small Hydro Power projects	
			Below 1 MW	24.985
			1 MW – 25 MW	16.54
		Escalation – 5.72% (during 2 nd Year Onwards)		