

## ANDHRA PRADESH STATE ELECTRICITY REGULATORY COMMISSION- APERC ORDER FOR DETERMINATION OF WIND POWER GENERATION TARIFF

**Dated 15-11-2012**

Sl. No.	Description	Summary
1	<b>Title</b>	APERC Order for Determination of Wind Power Generation Tariff dt. 15/11/2012
2	<b>Applicable</b>	To wind power generation projects in the State of Andhra Pradesh which enter into PPAs between the date of issue of this order and 31-03-2015
3	<b>Key Parameters for Determination of Tariff</b>	
	<b>Parameter</b>	Value
a	<b>Tariff Period</b>	25 years
b	<b>Useful Life</b>	25 years
c	<b>Capital Cost</b>	Rs.5.75 Cr/MW (including evacuation cost)
d	<b>O&amp;M Cost</b>	Rs.7.4 Lakh / MW with escalation of 5% per annum
e	<b>Depreciation</b>	4.5% for 1 <sup>st</sup> 10 years and 3% from 11 <sup>th</sup> year onwards on straight line basis.
f	<b>Capacity Utilisation Factor (CUF)</b>	23%
g	<b>Return on Equity</b>	20% pre-tax for first 10 years and 24% pre-tax from 11 <sup>th</sup> year onwards
h	<b>Interest Cost on Debts</b>	12.30% per annum
i	<b>Tenure of Loan</b>	10 years
j	<b>Interest on Working Capital</b>	12.80% per annum considered for purpose of working capital. • O&M expenses for 1 month. • Receivables for 2 Months. • Spares @ 15% of O&M expenses for 1 month.
k	<b>Debt Equity Ratio</b>	70:30
l	<b>Discount Rate</b>	10.62%
4	<b>Preferential Generic Levelised Tariff</b>	<ul style="list-style-type: none"> <li>• <b>Rs.4.70 per unit operative for 25 years from COD</b> for projects which enter into PPAs between the date of issue of this order and 31-03-2015</li> <li>• DISCOMs to have the first right of refusal on Power Purchase, if the Plant continues to operate after the 25<sup>th</sup> year of operation from the COD.</li> <li>• Tariff beyond 25<sup>th</sup> year shall be as mutually agreed by both the parties and consented by the Commission.</li> </ul>
5	<b>Power Evacuation</b>	Generators to bear the entire cost of power evacuation upto the Grid Substation
6	<b>Merit Order Dispatch</b>	Generators may dispatch 100% of the available capacity without reference to the Merit Order Dispatch
7	<b>CDM Benefits</b>	To be shared in the ratio of 90:10 between the generator and the DISCOM
8	<b>Power Purchase Agreement (PPA)</b>	Licensees and the generators to enter into PPAs as per the Order and the relevant Regulations of the APERC and obtain the consent of the Commission
9	<b>General</b>	<ul style="list-style-type: none"> <li>• WEGs should be new and match the specifications issued by C-WET from time to time.</li> <li>• Minimum Turbine capacity of WEGs should not be less than 225 KW</li> <li>• Generators shall abide by the orders, rules, regulations and terms and conditions as approved by the Commission from time to time</li> </ul>