

KERALA STATE ELECTRICITY REGULATORY COMMISSION

(Procurement of Power from Renewable Energy Sources)

Notification dated 01-01-2013

| Sl. No. | Description | Summary |
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| 1. | Title | <p>(i) Kerala State Electricity Regulatory Commission (Power Procurement from Renewable Sources by Distribution Licensee) Regulations 2013.</p> <p>(ii) These Regulations shall be applicable to the Distribution Licensees in the State of Kerala. However, till such time the STU or any licensee is engaged in the activity of bulk purchase and sale of electricity to distribution licensees these regulations shall be applicable to STU/Licensees for the State as a whole.</p> <p>(iii) It shall come into force at once.</p> |
| 2. | Definitions | As per Regulations |
| 3. | Purchase of Electricity from Renewable Sources of Energy | Each distribution licensee shall purchase a quantum of 3% from RE sources from 2010-11 onwards expressed as a percentage of its total consumption during a year from SHP Wind and from all other RE sources. Out of this 3%, 0.25% shall be from solar based plants. There shall be an increase of 10% of purchase of energy in the subsequent years till it attains a maximum of 10% of the total consumption. |
| 4. | Promotion of Renewable Sources of Energy | RE energy shall have mandatory open access to any Licensee's transmission system and or distribution system or grid as the case may be. |
| 5. | Determination of Tariff for Electricity from RE Sources | The Commission may consider to permit an allowance based on technology, fuel market risk environmental benefits and social contribution etc. of each type of RE source. The Commission shall also consider appropriate operational and financial parameters. |
| 6. | Norms for fixation of Tariff | <p>(a) (i) Norms for fixation of Tariff for SHP (5 MW to 25 MW) and SHP (below 5 MW) and Wind energy generation plants are given in Annexure A, B and C respectively.</p> <p>(ii) Control period/Review period is 5 years of which the first year shall be financial year 2012-13.</p> <p>(iii) Benchmark Capital Cost for Wind and SHP progress may be reviewed annually by the Commission after 01-04-2014.</p> <p>(iv) The benefit determined as per these Regulations shall be applicable during the tariff period which is 13 years for Wind and SHP (5 MW to 25 MW) and 35 years for SHP (below 5 MW)</p> <p>(v) Capital Cost shall be inclusive of all capital work including plant and machinery, civil works, erection and commissioning, financing and interest during construction and infrastructure upto the inter-connection.</p> <p>(vi) Regulations for next control period shall be undertaken at least 6 months prior to the end of first control period and in case the Regulations for the next control period are not notified until commencement of next control period, the tariff norms as per these Regulations shall continue to remain applicable until notification of the revised Regulations.</p> <p>(a) (i) The levelised tariff for SHP (5 MW to 25 MW), SHP (below 5) and Wind energy plants are prescribed as Rs. 4.16/Unit, Rs. 4.88/unit and Rs. 4.77/unit respectively Wind energy generation plants and SHP (5 MW to 35 MW) shall enter into PPAs for 13 years based on these tariffs and SHPs (below 5 MW) for 35 years.</p> <p>(ii) The tariff given above shall be applicable for the projects commissioned/ synchronized on or after 01-01-2013 only. This tariff shall be applicable for the financial year 2013-14 also. The generic tariff shall be applicable to all the projects developed during the control period and the developers need not obtain approval from the Commission for the tariff applicable to individual projects.</p> |

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| 7 | Sharing of CDM Benefits | (a) 100% of the gross proceeds on account of CDM benefit to be retained by the project developer in the first year after the date of commercial operation of the generating station. (b) In the second year, the share of the beneficiaries shall be 10% which shall be progressively increased by 10% every year till it reaches 50%, where after the proceeds shall be shared in equal proportion by the generating company and the beneficiaries. |
| 8 | Repeal | Kerala SERC (Power procurement from Renewable Sources by Distribution Licensee) Regulation 2006 and amendments stands repealed. |
| 9 | Power to Remove Difficulties | Vested with the Commission |