

WEST BENGAL ELECTRICITY REGULATORY COMMISSION

(Cogeneration and Generation of Electricity from Renewable Sources of Energy) Regulations, 2013

Notification No. 50 / WBERC Dated: March 22, 2013

Sl. No.	Description	Summary																				
1.	Short Title Extent and Commencement	<p>(i) West Bengal Electricity Regulatory Commission (Cogeneration and Generation of Electricity from Renewable Sources of Energy) Regulations, 2013</p> <p>(ii) Regulations shall come in to force from the date of their publication in the official Gazette ie 22.03.2013</p>																				
2.	Definitions	As per Regulations																				
3.	Renewable & Cogeneration Purchase Obligation (RPO) Target	<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th rowspan="2" style="text-align: center;">Year</th> <th colspan="2" style="text-align: center;">Minimum Quantum of Purchase (in %) of Total Consumption from Cogeneration and Renewable Energy Sources</th> </tr> <tr> <th style="text-align: center;">Solar</th> <th style="text-align: center;">Total Including Solar</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">2013-14</td> <td style="text-align: center;">0.10</td> <td style="text-align: center;">4.0</td> </tr> <tr> <td style="text-align: center;">2014-15</td> <td style="text-align: center;">0.15</td> <td style="text-align: center;">4.5</td> </tr> <tr> <td style="text-align: center;">2015-16</td> <td style="text-align: center;">0.20</td> <td style="text-align: center;">5.0</td> </tr> <tr> <td style="text-align: center;">2016-17</td> <td style="text-align: center;">0.25</td> <td style="text-align: center;">5.5</td> </tr> <tr> <td style="text-align: center;">2017-18</td> <td style="text-align: center;">0.30</td> <td style="text-align: center;">6.0</td> </tr> </tbody> </table> <p>(i) The quantum of obligation is with regard to the energy input in the system of the licensee(s) after adjustment of losses.</p> <p>(ii) For subsequent years (from 2018 - 2019 onwards) the increase shall be 1% each year till the Ultimate Target is reached by the distribution licensee(s).</p> <p>(iii) Till the Ultimate Target is reached, the distribution licensee shall prefer long term agreement with the supplier of renewable and/or cogeneration sources if supplier agrees.</p> <p>(iv) From 2018-19 onwards the annual target of Solar RPO will be increased by 0.1% till it reaches 0.5%.</p> <p>(v) Obligations for the licensees as specified in regulation 3(i) are minimum percentages of purchase which is endeavored to be maintained by the licensees. The licensees shall have the option to purchase, in excess of target till Ultimate Target is reached. Provided that such procurement shall not go beyond 5% of the total consumption in the area of the supply of the distribution licensee. Provided further that for purchase of solar energy beyond the target of any year shall not exceed 0.25% of the total consumption in the area of supply of the distribution licensee for that year or target of solar RPO for that year whichever is higher.</p> <p>(vi) Every distribution licensee shall endeavour to meet its RPO target by any one or any combination of the following ways:</p> <ol style="list-style-type: none"> (a) Own generation by licensee from renewable or cogeneration sources. (b) By purchase from any renewable and/ or cogeneration sources including other distribution licensee as detailed in Regulation 3.7 (c) By way of purchasing renewable energy from any renewable sources in the area of supply of the licensee under REC mechanism at a price not exceeding the Pooled Cost of Purchase of such distribution licensee in line with Regulation 3.6 (d) purchasing renewable and/or cogeneration energy from any generator through open access at a mutually agreed price or through power exchange at market determined price but within the capping price as mentioned in Regulation 6.0 	Year	Minimum Quantum of Purchase (in %) of Total Consumption from Cogeneration and Renewable Energy Sources		Solar	Total Including Solar	2013-14	0.10	4.0	2014-15	0.15	4.5	2015-16	0.20	5.0	2016-17	0.25	5.5	2017-18	0.30	6.0
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4.	Consequence of Non-Compliance of Renewable & Cogeneration Purchase Obligation	As per Regulations
5.	Determination of Price of Electricity from Cogeneration and / or Renewable Source	Price for purchase of electricity from Cogeneration and / or Renewable sources shall be agreed mutually by the licensees and the suppliers at a level not above the price cap indicated by the Commission in these regulations. Price determined under these regulations will not be re-determined under Tariff Regulations.
6.	Price Capping For Energy From Cogeneration And / Or Renewable Sources	<p>Source-wise Price Capping</p> <p>(i) Bio-mass</p> <ul style="list-style-type: none"> • The price at which the renewable energy from Bio-mass source can be sold to a licensee is capped at Rs 5.41 per kWh and within the capped price the levelised fixed cost shall not be more than Rs. 2.06 per kWh and shall remain fixed for five years from the date of coming into force of these regulations or till revised whichever is earlier. • Commission may re-fix the capped price and validity period along with the rate of escalation. • Fuel for power generation from Bio-mass source shall be generally rice husk or Bio-mass made available by additional energy plantation undertaken by the owner of bio-mass plant. • A maximum fuel mix of 15% conventional fossil fuel shall be allowed on yearly basis. • For a Bio-mass plant a two part price (fixed charge and energy charge) may be agreed to by the purchaser with the provision for allowing an increase in energy charge annually by finding the lowest as detailed in the Regulations <p>(ii) Wind For wind energy, the price cap shall be at Rs. 5.71 per kWh for ten years from the date of coming into force of these regulations.</p> <p>(iii) Small Hydro Generating Station</p> <ul style="list-style-type: none"> • For Small hydro Generating Station the selling price of energy from Small hydro Generating Station shall be subject to the following conditions: • For energy from Small hydro generating station of any generating company (not pumped storage sources), the price cap is fixed at Rs.4.42 per kWh for five years from the date of coming into force of these regulations. <p>(iv) Cogeneration</p> <ul style="list-style-type: none"> • The price cap for cogeneration plant shall be at Rs. 3.34 per kWh and the same shall remain in force for five years or till further notification on this price cap by the Commission whichever is earlier. • For a cogeneration plant a two part price (fixed charge and energy charge) may be agreed to by the purchaser with the provision for allowing an increase in energy charge annually as detailed in the Regulations

		<p>(v) Solar PV</p> <ul style="list-style-type: none"> • In case of PPA already executed for grid connected Solar PV power plants of capacity ranging from 250 KW to 5 MW and already commissioned or to be commissioned within 31st March, 2013 and/ not availing or to avail or not to avail on commissioning the generation based incentive of MNRE prices shall continue to be guided as per PPA already made out as per the Commission's earlier Regulations on cogeneration and generation of electricity from renewable sources made under Notification No. 39/ WBERC dated 25.03.2008. Incentive, if any, received by a licensee from MNRE on this account shall be passed on to its purchasers of electricity. • The capped price of energy for grid connected Solar PV power plants (including those plants which are availing accelerated depreciation benefit under section 32 of the Income Tax Act, 1961) which are not eligible for any incentive declared by MNRE, shall be Rs.8.90 / kWh for sale to the licensees and such price will be applicable for the grid connected Solar PV power projects commissioned upto 2012-13 and shall remain valid for 25 years. • The capped price of energy and period of validity for grid connected Solar PV power plants (including those plants which are availing accelerated depreciation benefit under section 32 of the Income Tax Act, 1961) which are commissioned after 2012-13 shall also be Rs 8.90/ kWh for the projects commissioned upto 2015 - 2016 or till the date as notified by the Commission, whichever is earlier and shall remain valid for 25 years. • If at any stage in future such Solar PV power plants which are ineligible to avail the generation based incentive, become eligible for any incentive declared by MNRE or by the State or Central Government, the Commission may review the capped price for sale to the licensees and fix a new capped price duly taking into consideration the allowable incentive to such Solar PV power plants. • Capacity of Grid Connected Solar PV Power Plant should be equal to or above 100KW where the PPA will be executed from 2012-13. <p>(vi) MSW</p> <ul style="list-style-type: none"> • The price at which the electricity generated through combustion route by directly using the Municipal Solid Waste (MSW) as fuel or by utilizing land fill gas can be sold to a licensee is capped at Rs 5.12/ kWh and shall remain fixed for a period of ten years from the date of coming into force of these regulations. • Fuel for power generation from Municipal Solid Waste shall be generally from the garbage supplied by a municipality free of cost. • A maximum fuel mix of 15% conventional fossil fuel shall be allowed on yearly basis for generation of electricity through combustion route. <p>(vii) Bio-gas</p> <ul style="list-style-type: none"> • Electricity generated from Bio-gas Plant can be sold to the licensee at a capped price of Rs. 6.24/ kWh and shall remain fixed for a period of five years from the date of coming into force of these regulations. • Fuel for power generation from Bio-gas plant shall be the gas produced by fermentation of cow dung in a multistage process through the activity of anaerobic micro-organisms. The price shall be two-part consisting of fixed charge and energy charge consisting of fuel cost only. The price will remain fixed up to 2015-16. • Provided that the price of electricity (price of electricity = fixed charge + energy charge consisting of fuel cost only) as per the two part price decided for bio-mass plant during the year of implementation of such rate shall not exceed the capped price as per these regulations. • The energy charge arrived at the time of execution of new PPA by applying annual increase rate over the energy charge of the existing PPA based on the submitted data at the time of the execution of existing PPA by finding the lowest rate as detailed in the Regulations • Provided further that the aforesaid two part price for an existing bio-mass plant shall be applicable prospectively from the date of effect of the new PPA

7.	Connectivity	<p>(i) The cogeneration and / or renewable energy sources excepting Roof-top Solar PV and Bio-gas sources shall be connected to the State Grid at a voltage level of 132 KV or 66 KV or 33 KV or 11 KV or 6 KV subject to technical suitability determined by the licensee.</p> <p>(ii) Such connectivity shall also be provided for use of licensee's system under open access. More than one such project established by the same Generator located near each other are to be clustered together as far as possible in order to avail connectivity with the grid sub-station.</p> <p>(iii) Roof-top Solar PV sources of capacity as mentioned in Regulation 6.1 of these regulations shall be allowed connectivity at LV or MV or 6 KV or 11 KV or any other voltage of the distribution system of the licensee as considered technically and financially suitable by the licensee.</p> <p>(iv) Bio-gas Plants, if connected to the Distribution system, shall be connected at 415V, 3 phase or at 6kV or 11kV of the Distribution system of the licensee.</p> <p>(v) For the purpose of grid connectivity for a new small Hydro and island based Wind projects, if the length of the evacuation line to be drawn by the seller is greater than 5 km cost of the line beyond 5 km is to be equally shared by the seller and transmission/distribution licensee as the case may be. However, this clause will not be applicable for the existing power stations under any PPA under repealed Regulations.</p>
8.	Dispatch Principle and Mismatch / Unscheduled Interchange Charges	All renewable energy power plants except bio-mass power plants, cogeneration plants and Municipal Solid Waste (MSW) plants with capacity of 10 MW and above shall be treated as 'Must Run' power plants and shall not be subjected to 'merit order dispatch' principles.
9.	CDM Benefits	The proceeds of carbon trading from approved Clean Development Mechanism (CDM) projects shall be the income of the Generator.
10.	Open Access for Cogeneration and / or Renewable Sources of Energy	Any person generating electricity from cogeneration and / or renewable sources shall have open access, subject to availability of adequate transmission facility to any transmission licensee's system within the State on payment of various charges as specified.
11.	Charges for Open Access	<p>(i) All open access charges shall be payable as per Open Access Regulations and Tariff Regulations except meter rent, meter reading and other related charges.</p> <p>(ii) Meter rent and meter reading and other related charges shall be paid by an open access customer at the rate of 0.75 paise/unit of monthly energy reading per month subject to a minimum of Rs.500/- and maximum of Rs. 2000/- per month and shall be paid to the licensee who is rendering such service.</p>
12.	Transmission Charges	Transmission charges applicable for use of transmission network or associated facilities of a licensee by long term and / or short term open access customers for conveyance of electricity from cogeneration and / or renewable energy sources shall be such charges as applicable as per relevant tariff order.
13.	Wheeling Charges	Wheeling charges applicable for use of distribution system or associated facilities of a licensee by open access customers for conveyance of electricity from cogeneration and / or renewable energy sources shall be wheeling charges as applicable as per relevant tariff order.
14.	Reactive Energy Charges	Reactive energy charges will be payable as per Open Access Regulations for all cogeneration and renewable sources of power generation except for wind power generation. For wind power the rate will be three times the rate of the reactive energy charges specified in Open Access Regulations.
15.	Other Charges for Open Access	All other charges for open access shall be in terms of Open Access Regulations.
16.	Procedure to be Followed for Renewable and / or Cogeneration Energy Sources	For procurement of renewable and /or cogeneration energy through negotiated route, after preliminary discussions with the buyer licensee, the generator shall submit full details of the generation project along with cost data and finance charges and price for direct sale to the licensee.
17.	Power to Amend, General Power, Repeal and Saving	Vested with the Commission.