

Telangana Wind Power Policy 2016 (Draft)

Sl. No.	Description	Summary
1.	Nodal Agency	Telangana New and Renewable Energy Development Corporation Limited (TNREDCL)
2.	Objectives	<ol style="list-style-type: none"> 1. Realize and harness wind power potential of the state. 2. Contribute to long term energy security of the state by promoting a sustainable generation combining renewable with thermal power generation. 3. To promote public as well as private investment in wind power generation.
3.	Operating Period	<p>5 –Years</p> <p>Wind power projects that are commissioned during the operative period shall be eligible for the incentives declared under this policy, from the date of commissioning and for a period, which will be specified by rules framed by the Government.</p>
4.	Applicability	All registered companies, Joint Venture Companies, Central and State power generation/ distribution companies and public / private sector wind power developers will be eligible for setting up of wind power projects within the state, either for the purpose of captive/group captive use and/or for selling electricity to the utilities or third parties, in accordance with the Electricity Act-2003, as amended from time to time.
5.	Ease of Business-Enabling Provisions	<ol style="list-style-type: none"> 1. The State, in order to encourage wind-based generation, has prepared the following measures for improving the ease of doing business. 2. However, in order to be eligible, the project developer has to ensure that the generation is within the time limit stipulated in the PPA or within a maximum period of 24 months from the date of capacity allotment whichever is earlier, failing which the provisions under this policy automatically stands cancelled.
6.	Facilitation of expeditious approvals through single window clearance	<ol style="list-style-type: none"> 1. The Wind Policy Cell (WPC) will undertake single window clearance for all WPPs. 2. A transaction charge of Rs. 25,000/MW shall be applicable for processing applications for single window clearance. 3. The modalities of the single window clearance mechanism shall be notified within 30 days from the date of issue of this policy.
7.	Deemed conversion to Non-agricultural land status	<ol style="list-style-type: none"> 1. Land acquired for grid-connected WPPs for sale to DISCOMs/ captive use/group captive/ third party sale shall be automatically deemed to be converted to Non-agricultural land status, on payment of applicable conversion charges to the WPC and no further conversion procedures need to be followed by the developers in respect of such land. 2. Power generated from the wind power projects installed entirely or partly on Government/ revenue land or forest areas shall be for sale within the State only.
8.	Land ceiling Act	The ceiling limit as per the land ceiling act will not be applicable for any land acquisition for Wind Power Projects.

9.	Transmission and Distribution charges for wheeling of power	<ol style="list-style-type: none"> 1. Exempted for captive/ group captive use within the state. 2. They will be charged as applicable for third party sale. 3. The transmission and distribution losses, however, are fully applicable for both third party within the state as well as captive use within the state.
10.	Power scheduling and Energy Banking	<ol style="list-style-type: none"> 1. All WPPs shall be awarded must-run status as per provisions of grid code. 2. Banking of 100% of energy shall be permitted for all Captive and Open Access/ Scheduled consumers during all 12 months of the year. Banking charges shall be adjusted in kind @ 2% of the energy delivered at the point of drawl. 3. The banking year shall be from April to March. Banked units cannot be consumed/redeemed in the peak months (Feb to June) and in the peak hours (6 pm to 10 pm).
11.	Electricity Duty	Exempted
12.	Cross subsidy Surcharge	For WPP located within the state and selling power to third parties within the state, 100% exemption shall be provided on the cross subsidy surcharge as determined by TSERC for five years from the date of commissioning of the WPP.
13	Bill settlement	In respect of WPPs selling power to the DISCOMS, settlement of energy shall be as per the PPA executed between the WPP and the DISCOM.
14.	Grid Connectivity and Evacuation facility	<ol style="list-style-type: none"> 1. The WPPs developers shall be evacuated the power at the appropriate voltage level at the interconnection point of TSTRANSCO or TSDISCOMS and evacuation up to the interconnection point shall be the sole responsibility of the WPP developer. 2. The WPP developer shall bear the entire cost of transmission infrastructure till the interconnection point, however the following support shall be available to the WPP: <ol style="list-style-type: none"> a) Supervision charges levied by the TSTRANSCO/DISCOMS shall be exempted; b) TSTRANSCO/DISCOMS shall process and close the proposals for technical feasibility within thirty (30) days of receipt of application from the WPP developer.
15.	Payment of Development Charges and Layout fee and permission from Gram Panchayat	<ol style="list-style-type: none"> 1. Development charges and layout fee of INR 25,000 per acre basis shall be levied payable to the respective Panchayat. 2. On payment of such amount, the Gram Panchayat will accord necessary approvals for setting up of the Wind power projects including permission for bore wells. 3. For this purpose, a separate category will be created under the Panchayat rules.
16.	Refund of VAT	100% refund of VAT/SGST for all the inputs required for wind power projects will be provided by the Commercial Tax Department for a period of 5 years.
17.	Refund of Stamp Duty	Industries Department will provide incentive in terms of 100% refund of Stamp Duty for land purchased for setting up wind power project and/or wind-solar hybrids. Registration charges are payable as per rules.
18.	Open Access	As per TSERC Regulations
19.	Pollution clearance	WPPs being a part of green energy will be exempted from obtaining any NOC/Consent for establishment under pollution control laws from Telangana

		Pollution Control board.
20.	Provisions under the Factories act	WPPs setup for sale to DISCOMs/ captive use/ group captive/ third party sale will be registered as factories for applicable projects (for the purpose of labour) under the factories act and the entire process shall be completed within a week.
21.	Provisions Pertaining to Wind Resource Assessment Studies	<p>Scenario A: Cases wherein the WRA studies are carried out by TNREDCL/NIWE or any state/ central designated agency</p> <p>The land adjoining the wind masts could either be private land or government land. Such sites may fall within 10 kms radius from the location of wind masts set-up by state/ central government designated agencies.</p> <p>Scenario B: Cases wherein the WRA studies are carried out by Private developers</p> <p>The land adjoining the wind masts could either be private land or government land. The existing sites where WRA studies are been conducted by private developers would be subsumed under this scenario.</p> <p>Capacity Allotment</p> <p>Application for capacity allotment should be for the entire capacity indicated in the WRA studies.</p> <p>Land Allotment</p> <p>a) For government lands, developer has to pay 10% of the market value of land and this would be reviewed on a yearly basis.</p> <p>b) Competitive bidding will be the preferred option in cases of wind solar hybrid projects depending upon WRA and solar radiation studies done by TNREDCL/Govt agencies and areas notified by MNRE.</p>
22.	Sale of Power	Telangana Discoms would procure power from WPPs at the tariff determined by TSERC or through competitive bidding based on guidelines for competitive bidding in wind sector whenever notified by MNRE.
23.	Wind Policy Cell	<p>A dedicated Wind Policy Cell (WPC) shall be set up by TNREDCL under this policy for single window clearance of the wind power projects (WPP). The responsibilities include the following</p> <p>a) All clearances and approvals pertaining to DISCOMS and TSTRANSCO</p> <p>b) Obtaining power evacuation approval and/ or Open Access Other clearances and approvals such as panchayat/ municipality clearances, agricultural land conversion.</p>