

Jammu & Kashmir State Electricity Regulatory Commission

Sub:- Amendment to the Order No. 12-JKSERC of 2015 pertaining to determination of generic levellised generation tariff for Renewable Energy Sources (RES) for the FY 2015-16 under Regulation 8 of the Jammu and Kashmir State Electricity Regulatory Commission (Terms and Conditions for Tariff determination from Renewable Energy Sources) Regulations, 2013.

Ref:- Minutes of the 2nd Meeting of the Commission for 2015-16 held on 21.4.2015.

Order No.:29-JKSERC of 2015 (Amendment)**Dated: 22-04.2015**

1. Whereas the Jammu & Kashmir State Electricity Regulatory Commission (hereinafter referred to as JKSERC or the Commission) passed the Order in the matter of determination of generic levellised generation tariff for the FY 2015-16 on 28th February 2015 (hereinafter referred to as “the Order” which provides for generic tariff for various categories of Renewable Energy (RE) generating stations commissioned during FY 2015-16:
2. Whereas the Commission, in para 1.36 of the Order had adopted the benchmark capital cost for Solar PV projects for FY 2015-16 as Rs 691 lakhs/MW in accordance with the CERC’s Order on generic levellised tariff of RES for FY 2014-15 dated 15th May 2014.
3. Whereas CERC has now passed the Order on generic levellised tariff for RES for FY 2015-16 on 31st March 2015 wherein it has revised the benchmark capital cost for Solar PV projects for FY 2015-16 to Rs 605.85 Lakh/MW.

4. Now, therefore, in exercise of the powers under Regulation 5 of the JKSERC (Terms and Conditions for Tariff determination from Renewable Energy Sources) Regulations, 2013, and in terms of Para 17 of the Order the Commission adopts the benchmark capital cost for Solar PV power projects as Rs. 605.85 Lakh/MW for FY 2015-16 and accordingly makes the following amendments to the Order:-

4.1 Para 1.35 and para 1.36 of the Order are recast as under:-

“1.35 The Regulation 57 of the above-mentioned Regulations specifies the normative capital cost for the Solar PV power projects as Rs 1000 Lakh/MW for the FY 2013-14. However, it is pertinent to note that with the recent decline in capital cost for Solar PV projects owing to regulatory and technological developments, the normative capital cost specified in the RE Tariff Regulations 2013 is on the higher side. Further, the Regulation 5 of the above mentioned regulations, specify that the benchmark capital cost for Solar PV and Solar thermal projects may be reviewed annually by the Commission.

1.36 The CERC has also taken similar recourse while determining the benchmark capital cost for Solar PV projects. The CERC vide the CERC (RE Tariff Regulations), 2012 specified the benchmark capital cost norm for Solar PV projects for FY 2012-13 as Rs. 1000 Lakh/MW. Owing to decline in capital cost in the market for Solar PV technology over the years, the CERC vide its Order dated 31st March 2015 has determined the benchmark capital cost for Solar PV projects as Rs 605.85 Lakh/MW. Based on above, and in

exercise of powers under Regulation 5 of the RE Tariff Regulations 2013, the Commission adopts the benchmark capital cost for Solar PV power projects as Rs. 605.85 Lakh/MW for FY 2015-16.”

4.2 Table 3 of the Order is substituted by the following table:

Table 3: Approved generic Levellised tariff for RE technologies without fuel component for FY 2015-16 (Rs/ kWh)

Particulars	Levellised Total Tariff (FY 2015-16)	Benefit of Accelerated Depreciation (if availed)	Net Levellised Tariff (upon adjusting for Accelerated Depreciation benefit)
WIND ENERGY			
Wind Zone -1 (CUF 20%)	6.15	0.36	5.79
Wind Zone -2 (CUF 22%)	5.59	0.32	5.27
Wind Zone -3 (CUF 25%)	4.92	0.29	4.63
Wind Zone -4 (CUF 30%)	4.10	0.24	3.86
Wind Zone -5 (CUF 32%)	3.84	0.22	3.62
SMALL HYDRO			
Capacity below 5 MW	4.34	0.38	3.96
Capacity 5 MW upto 25 MW	3.69	0.35	3.34
SOLAR PV & THERMAL			
Solar PV	6.79	0.73	6.06
Solar Thermal	11.63	1.32	10.31

4.3 Table 13 of the Order is substituted by the following table:

Table 13: Normative Capital cost for RE projects for FY 2015-16

Sl. No.	Renewable energy project	Normative Capital cost (Rs Lakhs/MW)
1.	Wind energy projects	595.88
2.	Small hydro projects	
a)	Below 5 MW	797.96

Sl. No.	Renewable energy project	Normative Capital cost (Rs Lakhs/MW)
b)	5 MW upto 25 MW	725.42
3.	Biomass power projects	460.39
4.	Non-fossil fuel based cogeneration power projects	423.26
5.	Solar PV power projects	605.85
6.	Solar thermal power projects	1200.00
7.	Biomass gasifier power projects (<i>after subsidy</i>)	404.26
8.	Biogas power projects (<i>after subsidy</i>)	808.53

4.4 Table 14 of the Order is substituted by the following table :

Table 14: Debt-Equity component for RE projects for FY 2015-16

Sl. No.	Renewable energy project	Debt (Rs Lakhs/MW)	Equity (Rs Lakhs/MW)
1.	Wind energy projects	417.12	178.76
2.	Small hydro projects		
a)	Below 5 MW	558.57	239.39
b)	5 MW upto 25 MW	507.79	217.63
3.	Biomass power projects	322.27	138.12
4.	Non-fossil fuel based cogeneration power projects	296.28	126.98
5.	Solar PV power projects	424.10	181.75
6.	Solar thermal power projects	840.00	360.00
7.	Biomass gasifier power projects	282.99	121.28
8.	Biogas power projects	565.97	242.56

4.5 Table 21 of the Order is substituted by the following table:

Table 21: Generic Levellised tariff for RE technologies without fuel component for FY 2015-16

Particulars	Levellised Total Tariff (FY 2015-16)	Benefit of Accelerated Depreciation (if availed)	Net Levellised Tariff (upon adjusting for Accelerated Depreciation benefit)
	(Rs/kWh)	(Rs/kWh)	(Rs/kWh)
WIND ENERGY			
Wind Zone -1 (CUF 20%)	6.15	0.36	5.79
Wind Zone -2 (CUF 22%)	5.59	0.32	5.27
Wind Zone -3 (CUF 25%)	4.92	0.29	4.63
Wind Zone -4 (CUF 30%)	4.10	0.24	3.86
Wind Zone -5 (CUF 32%)	3.84	0.22	3.62
SMALL HYDRO			
Capacity below 5 MW	4.34	0.38	3.96
Capacity 5 MW upto 25 MW	3.69	0.35	3.34
SOLAR PV & THERMAL			
Solar PV	6.79	0.73	6.06
Solar Thermal	11.63	1.32	10.31

4.6 Annexure 5 of the Order is substituted by the enclosed Annexure 5.

By order of the Commission.


 (Abdul Hamid) KAS

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 J&K State Electricity Regulatory Commission,
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