

CE/Comm/NCE/Tariff/

No 3 1371

Date:

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**Commercial CIRCULAR No. 122**

**Sub:** - Tariff of Non-conventional Energy (NCE)/ Renewable Energy Projects for FY 2010-11.

**Ref:** - MERC RE Tariff order dated 14<sup>th</sup> July 2010

The Maharashtra Electricity Regulatory Commission has notified the Maharashtra Electricity Regulatory Commission (Terms and Conditions for determination of RE Tariff) Regulations, 2010 ("RE Tariff Regulations") on 7<sup>th</sup> June 2010.

The Hon'ble Commission in exercise of the powers vested under section 61 read with 181 of Electricity Act, 2003 and all other powers enabling in this behalf and after taking into considerations suggestions, objections raised /received during the public hearing dated 10<sup>th</sup> July 2010, responses & submissions of MSEDCL has issued generic tariff order, on **14<sup>th</sup> July 2010** in case No.20 of 2010 on *suo-motu* basis for the renewable energy projects for the first year of the control period (i.e FY 2010-11), on the basis of the norms and procedure specified in the MERC RE Tariff Regulations. Hence the guidelines as under are issued for implementation of the said order of the commission.

**1. Applicability of Tariff Order:-**

These tariffs are applicable for Existing RE projects and New RE Projects to be commissioned during FY 2010-11.

**Existing RE Project:**

Existing RE Project means the renewable energy Project whose date of commissioning falls prior to date of notification of MERC (Terms and conditions for determination of RE Tariff) Regulations, 2010.

**New RE Project:**

New RE project means the renewable energy project whose date of commissioning is subsequent to the date of notification of MERC (Terms and Conditions for determination of RE Tariff) Regulations, 2010.

**2. Tariff for Renewable Energy Projects:-**

**I. WIND:**

**For existing wind projects:** The tariff for existing Wind power Projects during FY 2010-11 shall be as under:

- **Group I-** Tariff started with 2.25 Rs/kWh for 1994-95 and escalated at the rate of 5% (i.e., 11 paise every year) till 10th year, then remained constant for next 3 years, then again escalated from 14th year onwards till 20th year at the same rate.
- **Group II-** Tariff started with 2.25 Rs/kWh with 5% escalation.
- Beyond FY 2009-10, those projects whose PPA has expired shall have option to continue with the preferential Tariff or opt for pricing under REC mechanism.
- Post expiry of their respective EPAs tariff shall be Rs 2.52 per unit.  
For FY 2010-11, in case the Wind developer chooses to sell at preferential Tariff, the Tariff of Rs 2.52/kWh shall be applicable.

