



# The Bihar Gazette

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**Bihar Electricity Regulatory Commission**  
Vidyut Bhawan-II, Bailey Road, Patna – 800 021

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#### NOTIFICATION

*The 13<sup>th</sup> October 2016*

No. BERC-Case No.-SMP-22/2016/05— In exercise of powers conferred under section 61 read with section 181 (2) (zd) of Electricity Act, 2003 (Act 36 of 2003), and all other powers enabling the Commission in this behalf, the Bihar Electricity Regulatory Commission hereby makes 4<sup>th</sup> amendment in the Bihar (Terms and Conditions for Tariff Determination from Solar Energy Sources) Regulations, 2010 (hereinafter referred as Principal Regulations) notified vide no. BERC-Regl/Solar-2/2010-03-247 dated 2<sup>nd</sup> August, 2010.

**1. Short title, extent and commencement**

- (i) These Regulations shall be called the Bihar Electricity Regulatory Commission (Terms and Conditions for Tariff Determination from Solar Energy Sources) (4<sup>th</sup> Amendment) Regulations, 2016.
- (ii) These Regulations extend to the whole of the State of Bihar.

(iii) These Regulations shall come into force from the date of its publication in the Bihar Gazette.

2. **Amendment in Regulation 5**

The third proviso of the Regulation 5 shall be substituted by the following :-

*"The Generic Levellised Tariff determined for any financial year for solar PV and Solar Thermal Projects shall be applicable for such projects for which Power Purchase Agreement (PPA) is signed within the same period and the entire capacity covered in the PPA is commissioned on or before 31st March of the following year in respect of Solar PV projects and on or before 31st March of subsequent two years in case of Solar Thermal Projects"*

3. **Amendment in Regulation 8**

Regulation 8(1) shall be substituted by the following:

*"The Commission may notify the generic preferential tariff on Suo-motu basis in accordance with its own Regulations. Provided that the Commission may deviate from its own Regulation to the extent of revised norms issued by Central Electricity Regulatory Commission till its own regulations are amended accordingly."*

4. **Amendment in Regulation 10**

Regulation 10(2) shall be substituted by the following:-

*"For the purpose of levellised tariff computation, the discount factor equivalent to Post Tax weighted average cost of capital shall be considered."*

5. **Amendment in Regulation 14**

Regulation 14(2)(b) shall be substituted by the following:-

*"For the purpose of computation of tariff, the normative interest rate shall be considered as State Bank of India (SBI) Average Base Rate prevalent during the First six months of the previous year plus 300 basis points."*

6. **Amendment in Regulation 16**

Regulation 16(2)(a) shall be substituted by the following:-

*“Normative Return on Equity shall be 20% (pre-tax) per annum for the first 10 years.”*

**7. Amendment in Regulation 17**

Regulation 17(2) shall be substituted by the following:-

*“Interest on Working Capital shall be at interest rate equivalent to the State Bank of India average Base Rate prevalent during the first six months of the previous year plus 350 basis points.”*

**8. Amendment in Regulation 22**

Regulation 22(ii) shall be substituted by the following:-

*“Capitalisation of Solar projects during second half of the fiscal year.*

*Per unit benefit shall be derived on levellised basis at discount factor equivalent to post tax weighted average cost of capital.”*

**9. Amendment in Regulation 27**

Regulation 27(1) shall be substituted by the following:-

*“Normative O&M expenses for the year FY2016-17 shall be Rs.7 Lakhs per MW.”*

**10. Amendment in Regulation 31**

Regulation 31(1) shall be substituted by the following:-

*“O&M expenses shall be Rs.18.74 lakhs/MW for FY 2016-17 for Solar Thermal Power Projects.”*

By the order of the Commission,

Sd./Illegible,

Secretary.