

KERALA STATE ELECTRICITY REGULATORY COMMISSION

(Power Procurement from Cogeneration Plants by Distribution Licensees) Regulations, 2008, Dated: 19-11-2008

Sl. No.	Description	Summary																											
1.	Purchase of Electricity from Cogeneration Plants	Each Distribution Licensee shall purchase a quantum of 5% from renewable sources expressed as percentage of its total consumption during a year. Out of these 5%, 2% shall be from SHP, 2% from Wind and 1% from all other sources including cogeneration except Small Hydro and Wind.																											
2.	Promotion of Cogeneration of Energy	Any person generating electricity from renewable sources of energy shall have mandatory open access to any Licensee's transmission system and/or distribution system or grid as the case may be																											
3.	Determination of Tariff for Electricity from Cogeneration Sources	<ol style="list-style-type: none"> 1. The Commission shall determine the tariff for purchase of electricity from cogeneration sources by a distribution licensee. 2. The Commission shall determine the tariff separately for each process of cogeneration on a case to case basis. 3. The tariff so determined by the Commission shall be applicable for a period of 10 years from the date as notified by the Commission. 																											
4.	RE Technology (Bagasse based Cogeneration Plants)	<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 10%;">Sl. No.</th> <th style="width: 60%;">Factors</th> <th style="width: 30%;">Quantity</th> </tr> </thead> <tbody> <tr> <td>1.</td> <td>Plant Utilisation Factor</td> <td>55%</td> </tr> <tr> <td>2.</td> <td>Capital Cost</td> <td>3.5 Crores/MW</td> </tr> <tr> <td>3.</td> <td>Life of Plant</td> <td>12 Years</td> </tr> <tr> <td>4.</td> <td>Depreciation Rate</td> <td>7.5%</td> </tr> <tr> <td>5.</td> <td>Operation and Maintenance</td> <td>1.5% of Capital</td> </tr> <tr> <td>6.</td> <td>Interest cost on Long Term Debts</td> <td>9%</td> </tr> <tr> <td>7.</td> <td>Term loan period</td> <td>Repayment Period-10Years</td> </tr> <tr> <td>8.</td> <td>Return on equity</td> <td>14% of the Capital cost</td> </tr> </tbody> </table>	Sl. No.	Factors	Quantity	1.	Plant Utilisation Factor	55%	2.	Capital Cost	3.5 Crores/MW	3.	Life of Plant	12 Years	4.	Depreciation Rate	7.5%	5.	Operation and Maintenance	1.5% of Capital	6.	Interest cost on Long Term Debts	9%	7.	Term loan period	Repayment Period-10Years	8.	Return on equity	14% of the Capital cost
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5.	Tariff Rates	The levelised tariff at 12% Discount Rate comes to Rs 2.55 /Unit. The developers are to provide energy to licensees at a uniform rate of Rs 2.55 /unit for 10 years without any escalation.																											