

Haryana Bio-energy Policy 2018, Dated: 09.03.2018

Sl. No.	Description	Summary
1.	Nodal Agency	HARDEA- Haryana Renewable Energy Development Agency
2.	Objectives	<ol style="list-style-type: none"> 1. To create conducive environment to attract private investment in biomass projects. 2. To harness biomass based power/ biogas/ bio-CNG/ bio-manure/ bio-fuels etc. as it has huge potential of energy with sustainable environmental benefits through techno-economically viable technologies. 3. To support research and development, demonstration and commercialization of new technologies.
2.	Target	It is proposed to achieve a target of minimum 150 MW biomass based power generation (or equivalent) by 2022.
3.	Land and Clearances for the projects	<ol style="list-style-type: none"> 1. Agricultural land shall also be allowed to be used for setting up of biomass based Projects in the State. 2. The Government of Haryana will facilitate the lease of Panchayat land at reasonable rates directly through Panchayat (as per prevailing Govt. Policy) for setting up of biomass projects for minimum period of 35 years. 3. Exemption from Land use approval, External Development Charges, scrutiny fee and infrastructure development charges. 4. The land used in biomass projects will be out of the purview of the Land Ceiling Act of the government. 5. No fee will be charged by the Pollution Control Board for issuing Consent to Establish (CTE) and Consent to Operate (CTO) for such project anywhere in the State. 6. Though, power projects with only air cooled condensers will be allowed under this policy, the Irrigation Department/ Agriculture Department will allow canal/ ground water usage for such projects, except for condenser, at 50% of the charges applicable to industrial units in the State, on priority basis within one month from the date of application by the project developer. 7. 100% exemption from payment of fee and stamp duty charges will be allowed for registration of rent/lease/sale deed for the land required for setting up of these projects .
4.	Power Evacuation	For biomass power projects installed for captive use or sale of power to power utilities/third party sale through open access, all arrangements for power evacuation i.e. voltage step up, synchronizing equipments, metering within the project premises shall be done by the Project Developer as per the technical specifications, guidelines and regulation issued by HERC.
5.	Third party Sale, Wheeling, Banking and Open Access	<ol style="list-style-type: none"> 1. In respect of third party sale, licensee/utilities would have preference over the power generated by the power producers and thereafter, third party sale would be allowed when the surplus power is not being evacuated by the licensee/utilities. 2. Discoms/ Licensees shall permit electricity generated by eligible producers to be wheeled and banked without any charges.

		<ol style="list-style-type: none"> 3. Withdrawal of banked power will be allowed only during non-peak hours. 4. If the banked energy is not utilized within a period of twelve months from the date of power banked with the concerned power utilities/ licensee, it will automatically lapse and no charges shall be paid in lieu of such power.
6.	Must Run Status	<ol style="list-style-type: none"> 1. The biomass projects up to 10 MW capacity set up under this policy shall be treated as “Must Run” power plants and shall not be subjected to Merit Order Dispatch (MoD) principles and will not be asked to back down as this will badly affect their viability and planning for fuel linkage. 2. In case of biomass power projects of 10 MW and above generation capacity, scheduling and dispatch code shall be as per the HERC Regulations.
7.	Charges	All cross subsidy charges, transmission & distribution charges, surcharges and reactive power charges will be totally waived off for any biomass projects set up in the State.
8.	VAT/GST/ Tax Holidays	<ol style="list-style-type: none"> 1. VAT/GST on the plant and machinery used in setting up of Renewable Energy Power Projects in the State and any other incentives/exemptions shall be as per Government of Haryana notifications from time to time. 2. Octroi on biomass fuels for all projects including bio-CNG, bio-ethanol and bio-fertilizer shall be fully exempted. 3. 100% exemption from entry tax will be allowed in respect of all supplies (including capital goods, structure and raw materials) made for setting up and trial operations of the projects.
9.	Eligibility Criteria	<ol style="list-style-type: none"> 1. There will be no restriction on generation capacity or supply of electricity to the grid up to Renewable Purchase Obligation (RPO) and tendered capacity. 2. The project developer may be individual/company/firm/group of companies or a Joint venture/Consortium of maximum 4 partners having minimum 26% shareholding of leading partner.
10.	Project Extension & Penalty	<ol style="list-style-type: none"> 1. First extension of six months with penalty of 10% of the Bank Guarantee amount. 2. Second extension of three months with penalty of 15% of the Bank Guarantee amount. 3. Third extension of three months with penalty of 25% of the Bank Guarantee amount. 4. In cases where less than 50% of the project cost has been incurred at the end of 36 month, the entire security deposit will be forfeited with no obligation on the State to buy the power from such projects.
11.	CDM Benefits	<ol style="list-style-type: none"> 1. 100% of gross proceeds to be retained by the project developer in first year after the date of commercial operation. 2. In the second year, the share of beneficiary shall be 10% which shall be progressively increased by 10% every year till it reaches 50%, where after the proceeds shall be shared in equal proportion by the generating company and the beneficiaries.
15.	Document and Fee	Application in the prescribed format, complete in all respect along with documents to be required as per detail mentioned in the application format along with application fee, non-refundable scrutiny fee and performance security fee etc. as specified in the bidding document.