

Policy for Promoting Generation of Electricity from Biomass, 2010, Dated: 02.02.2010, Rajasthan

Sl. No.	Description	Summary
1.	Operative Period	The Policy will come into operation with effect from 26.02.2010 and will remain in force until superseded or modified by another Policy.
2.	Use of Power for Captive Purposes/Sale	The Power Producers may use the power for captive consumption or for sale to third party /licensees including Discoms.
3.	Grid Interfacing	<ol style="list-style-type: none"> 1. Generating Plant Sub Station Generating Plant Sub Station shall be developed and maintained by the Power Producer as per the Grid Code applicable from time to time and the entire cost for this will be borne by them. 2. Receiving Station Biomass Power Producer will terminate their 33kV (minimum voltage level) power evacuation feeder to nearby RVPN's 132/33kV or 220/132/33kV GSS or any other RVPN's GSS in consultation with RREC. 3. Grid Connectivity For creation of proper facility for receiving power, the Power Producer shall pay Grid Connectivity charges as finalized by RERC from time to time to RVPN/Discom as the case may be. 4. Transmission from Generating Plant Sub Station to Receiving Station <ol style="list-style-type: none"> a) The evacuation system beyond Generating Plant Sub Station till the nearest RVPN's 220/132/33kV or 132/33kV grid sub-station shall be developed by Biomass Power Producer as per RERC regulation dated 23.1.2009 and amended time to time. b) In case Power Producer first connect his feeder to Discom's sub-station and later on wants to connect his feeder to RVPN's sub-station then additional line work shall be conducted by Power Producer and the addition of line bay in RVPN sub-station shall be done by RVPN as deposit work on behalf of Power Producer. 5. Transmission and Distribution Network Augmentation For augmentation of transmission/ distribution systems to evacuate the power from receiving station, RVPN / Discom shall develop/augment the necessary transmission/ distribution network within mutually agreed timeframe.
4.	Settlement of Accounts	The account of all transactions between the Power Producer and the Discoms/ RVPN regarding price of power and wheeling charges shall be settled on monthly basis.
5.	Exemption from Electricity Duty	Consumption of electricity generated by Power Producers for its captive use will be exempted from Electricity Duty @ 50% for a period of 7 years from COD.
6.	Availability of Water for Power Generation	<ol style="list-style-type: none"> 1. The Power Producer shall be allowed to use water from sources of Water Resource Department subject to the availability of water for power generation. 2. In case, the Power Producer proposes to use ground water for power generation, the permission shall be granted by the Ground Water

		<p>Department/Water Resource Department.</p> <p>3. The modifications(s) required, if any, in the existing canal system shall be done by the Water Resources Department at the cost of the Power Producer.</p> <p>4. Ground Water Department shall accord similar status to Biomass Power Plant using Air Cooled Technology as granted to drinking water scheme while granting NOC for drilling bore well/tube well for fulfilling water requirement of these projects.</p>																					
7.	Land on Concessional Rate	The Government land required for Biomass Power Plant shall be allotted to Power Producer at concessional rates of 10% of DLC rates.																					
8.	Nodal Agency	RREC (Rajasthan Renewable Energy Corporation)																					
9.	Registration of Power Project	<p>1. Biomass Power Project up to 20MW capacity shall be eligible project under this Policy.</p> <p>2. Provided that Biomass Power Project of less than 5MW capacity can be set up within the reserved area of any plant of capacity of 5 MW and more with the permission of RREC. Provided further that no area shall be kept reserved for Biomass Power Project(s) of capacity less than 5MW.</p> <p>3. Along with the application, the Power Producer shall deposit an amount of Rs. 25000/- per MW with RREC towards processing fee, which shall be non-refundable. The service taxes and cess etc. will be payable extra as applicable from time to time.</p> <p>4. Any person/Company desirous to set up Biomass Power Plant for captive use without using State Grid, shall also have to register their projects with RREC and have to take approval of the State Govt. for setting up such projects.</p>																					
10.	Reservation of Area for Biomass Power Plants	In order to assure sustainability of a Biomass Power Project and to avoid unhealthy competition amongst various Biomass Power Projects, no other Biomass Power Project shall be permitted within the reserved area of existing/approved/earlier registered projects as specified here under:																					
		<table border="1"> <thead> <tr> <th>Sr. No.</th> <th>Capacity in MW</th> <th>Area Reserved (Radius in km)</th> </tr> </thead> <tbody> <tr> <td>1.</td> <td>5</td> <td>60</td> </tr> <tr> <td>2.</td> <td>More than 5 and upto 7.5</td> <td>75</td> </tr> <tr> <td>3.</td> <td>More than 7.5 and upto 10</td> <td>80</td> </tr> <tr> <td>4.</td> <td>More than 10 and upto 12.5</td> <td>85</td> </tr> <tr> <td>5.</td> <td>More than 12.5 and upto 15</td> <td>90</td> </tr> <tr> <td>6.</td> <td>More than 15 and upto 20</td> <td>100</td> </tr> </tbody> </table>	Sr. No.	Capacity in MW	Area Reserved (Radius in km)	1.	5	60	2.	More than 5 and upto 7.5	75	3.	More than 7.5 and upto 10	80	4.	More than 10 and upto 12.5	85	5.	More than 12.5 and upto 15	90	6.	More than 15 and upto 20	100
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11.	Fuel for Biomass Power Plant	<p>1. The Biomass produced within Rajasthan being utilized as fodder such as Wheat husk, Millet husk, Barley husk, Jwar husk etc shall not be allowed to be used as fuel for Biomass Power Project.</p> <p>2. As per RERC order dated 17.08.2009; the Biomass Power Producers shall be allowed to use fossil fuel (such as coal/lignite/natural gas, municipal waste) up to 15% during the lean period in some years.</p> <p>3. The Mines Department shall arrange this facility from the nearest lignite mines as far as possible.</p>																					

12.	Security Deposit	After the issue of PRN under clause 10.6 & 10.7, the Power Producers are required to deposit security amount @ Rs. 1 lac/MW within 2 month from the date of issue of PRN. The security amount will be refunded to the Power Producer within 2 months of commissioning of the project after recovery of penalty, if any.
13.	Time frame for completion of different activities	<ol style="list-style-type: none"> 1. Deposit of Security amount (Rs. 1 lac / MW) – within 2 months from the date of issue of project registration number (PRN). 2. Finalization of land, power evacuation plan and availability of water– within 4 months from the date of issue of project registration number (PRN). 3. Extension fee for clause (1) & (2)- <ol style="list-style-type: none"> a) For extension up to 2 months period - @ Rs. 15000.00 per MW b) For extension of more than 2 months period and up to 4 months period- @ Rs. 25,000.00 per MW c) No further extension will be considered beyond this limit and project shall be treated as cancelled and the security deposit (cash/ Bank guarantee) will be refunded by the RREC within 15 days of expiry of this time limit to the Power Producer and the area will be indicated free for the other Power Producers. 4. Power Producer shall commission the Bio Biomass Power Project within 24 months from the date of approval of the Project. <p>That extension in time schedule may be granted by the SLEC on case to case basis after depositing penalty amount as under: -</p> <ol style="list-style-type: none"> a) For delay up to 3 months Rs. 25,000.00 per MW b) For delay more than 3 months but up to 6 month Rs. 50,000.00 per MW c) For delay more than 6 months but up to 9 month Rs. 75,000.00 per MW d) For delay more than 9 months Rs. 1,00,000.00 per MW
14.	Price of Power and Other Charges	The price of power to be sold by the Power Producer to consumers/ licensees other than Discoms will be determined by the mutual understanding/agreement between the seller and the purchaser.
15.	Promotion of development of Prosopis-Juliflora	<ol style="list-style-type: none"> 1. Prosopis-Juliflora/other energy plants as supplementary fuel to Biomass Power Plant: The energy plantation may be developed on barren government land, waste land, Panchayat land and degraded forest land. 2. Categories of land available for development of Prosopis-Juliflora/other energy plantation: Degraded forest land which is suitable for development of Prosopis-Juliflora/other energy plantation through JFM committee. 3. Development of Prosopis-Juliflora/Other Energy Plantation on Private Land: Power Producers shall be allowed to obtain lease from the Khatedar for development of Prosopis-Juliflora /other energy plantation on private land for use as supplementary fuel for generation of electricity from Biomass Power Plants for a period of 30 years without affecting the Khatedari Rights of the Khatedar. 4. Eligibility Criteria: The facility of clause 15 under this Policy shall be available to only those Biomass Power Plants who intends to supply 100% power to State Discoms as per the provisions of this Policy. 5. Identification of Suitable Land: Maximum 500 Hectare/MW land in all categories shall be permissible for

		<p>development of Prosopis-Juliflora /other energy plantation.</p> <p>6. Grant of Permission The DLEC (District Level Empowered Committee) shall examine the proposal forwarded by RREC from the point of view of suitability of the proposed land for development of Prosopis-Juliflora/other energy plantation and grant approval for use of the land for development of Prosopis-Juliflora /other energy plantation for supply as supplementary fuel to the Biomass Power Plant.</p> <p>7. Determination of Sale Price by DLEC The price of Biomass produced from Prosopis-Juliflora/ other energy plantation shall be determined by the DLEC for every financial year on the basis of fuel cost prescribed by the RERC.</p>
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