

AMENDMENT TO WIND POWER POLICY-2007

Government of Gujarat
Energy and Petrochemicals Department
G.R No. WND-11-2008-2321-B
Sachivalaya, Gandhinagar.
Dated the 7.1.09

Read: GR No.EDA-102001-3054-B dated 13th June, 2007.

Preamble

The State of Gujarat has the highest wind power potential in the country i.e. 9675 MW. In order to harness this potential, the State Government introduced policies for offering incentives to the sector in 1993, 2002 and 2007. At present, the State has the third highest generation capacity i.e. 1380 MW in the country.

Wind Power as a source of energy is non-polluting, environment-friendly, relatively reasonably priced and has a shorter gestation period as compared to conventional power. Moreover, in the current global scenario of volatile costs of fossil fuel, global warming & climate change, it is indeed in the State's long term interest to promote further capacity addition in wind power generation.

Certain provisions of 'Wind Power Policy -2007' are being reviewed and amended by this GR in order to ensure continued growth of the wind power sector in the state.

RESOLUTION:

After careful consideration, therefore, the State Government is pleased to resolve to amend Wind Power Policy – 2007 as under:

1. Title:

This policy shall be known as the "Wind Power Policy (First Amendment) – 2007"

2. Amendment of Clause No 5 - Wheeling of Electricity:

The clause shall be substituted by the following: -

- (a) Wheeling of power to consumption site at 66 kV voltage level and above:-

The wheeling of electricity generated from the Wind Turbine Generators (WTGs), to the desired location(s) within the State, shall be allowed on

payment of transmission charges and transmission losses otherwise applicable to normal Open Access Customer.

- (b) Wheeling of power to consumption site below 66 kV voltage level,
 - (i) The wheeling of electricity generated from the WTGs, to the desired location(s) within the State, shall be allowed on payment of transmission charges, otherwise applicable to normal Open Access Consumer, and transmission and wheeling losses @ 10% of the energy fed to the grid.
 - (ii) The wheeling of electricity generated by smaller investors, having only one WTG in the State, to the desired location(s), shall be allowed on payment of transmission charges, otherwise applicable to normal open access consumer, and transmission and wheeling losses @ 7% of the energy fed to the grid.

Wind farm owner desiring to wheel electricity to more than two locations shall pay 5 paise per unit on energy fed in the grid to concerned Distribution Company in whose area, power is consumed in addition to above mentioned transmission charges and losses, as applicable.

3. Amendment of Clause No 8 - Sale of Power :

The clause shall be substituted as under :-

The electricity generated from the WTGs commissioned from 1st April, 2009, may be sold to GUVNL and / or any Distribution Licensee within the state, at a rate of Rs.3.50 per unit of electricity for the entire period of PPA. However, Wind Farm Associations or Wind farm developers / owners have to file a petition before the GERC and get the approval of GERC for the tariff to be paid by licensee.

GUVNL and / or any Distribution licensee may purchase surplus power from WTGs wheeling power for their captive use after adjustment of energy against consumption at recipient unit(s) at a rate of 85% of tariff applicable to WTGs (Commissioned in same tariff block) selling power to GUVNL and / or any Distribution licensee. This provision will be applicable for WTGs commissioned under Wind Power Policy -2007 also, from the date of issuance of this GR.

4. FOLLOWING NEW PROVISIONS ARE INCORPORATED IN THE POLICY :

Clause no. 15 – Renewable Purchase Obligation (RPO):

Each distribution licensee shall purchase electricity generated from all renewable

energy sources (Wind / Solar / Biomass/ Bagasse Cogeneration/ Mini/Micro hydel / Geothermal etc), equivalent to a minimum of 10 % of its total consumption of electricity during a year. This will be subject to the further detailed regulations pronounced by Gujarat Electricity Regulatory Commission (GERC) from time to time and sub-limits of the 10 % for each of the renewable energy source as may be decided by the GERC.

Clause no. 16 - Penalty for non fulfilling power purchase obligation:

Distribution licensees in the State of Gujarat are mandated to purchase Wind power as per limit/ sub-limit of the RPO, as may be specified by Commission from time to time.

Distribution licensee failing to meet the Renewable Purchase obligation, is liable to pay penalty to Gujarat Energy Development Agency (GEDA), equivalent to the power purchase rate determined for such WTGs, which will be passed on to the distribution licensee who procure the Wind power, in the ratio of their Wind power purchase during the year.

Penalty shall not be levied on distribution licensee in case of non availability of adequate generation from Wind power Projects in the state of Gujarat.

Clause no. 17 - Grid Connectivity and Evacuation facility up to GETCO substation:

The evacuation facility from the Wind Farm sub-station to GETCO substation within the range of 100 km shall be erected by developer at their own cost and beyond this limit, GETCO shall erect the evacuation facilities.

The voltage level for evacuation of wind power in the grid shall be at 66 kV and above. They should be integrated by installing RTUs by Wind Farm Developers so that the injection can be monitored at the connectivity substation by the SLDC on real time basis.

Clause no. 18 - Security Deposit

The WTGs Developer shall be required to give Bank Guarantee @ Rs. 5 lacs per MW to GETCO based on allotment of transmission capacity and in case the Developer fails to achieve Commercial Operation within the time period mentioned hereunder, the Bank Guarantee shall be forfeited by GETCO:-

MW	Period for commissioning of the entire capacity
1 MW to 100 MW	One year from the date of allotment of transmission capacity
201 MW to 400 MW	Two years from the date of allotment of transmission capacity
401 MW to 600 MW	Three years from the date of allotment of transmission capacity

Clause no. 19 - Renewable Energy Certificates

GEDA shall develop suitable mechanism for issuance of "Renewable Energy Certificates" a market-based tradable instrument to promote renewable energy in the state and facilitating to meet renewable energy obligation of utilities/ Open Access and captive consumers, using conventional fuel, which are not otherwise able to meet the obligation of purchase of power from renewable sources.

Notwithstanding anything contained in this resolution, the provisions of the Electricity Act – 2003, and the GERC regulations, as issued from time to time, shall prevail, for the purpose of the implementation of this policy.

This issues with the concurrence of the Finance Department's note dated 6.1.2009 on this Department's file of even number.

This will come into effect from the date of G.R.

By order and in the name of the Governor of Gujarat.



(Avantika Singh Aulakh)

Deputy Secretary to the Government of Gujarat
Energy and Petrochemicals Department

Copy to:

- *The Principal Secretary to H.E The. Governor of Gujarat, Raj Bhavan, Gandhinagar.
- The Secretary, Ministry of New & Renewable Energy, CGO Complex, New Delhi
- The Principal Secretary to the Hon. C.M. Sachivalaya, Gandhinagar
- The P.S. To Hon. MOS (E&P), Sachivalaya, Gandhinagar
- The Chariman, CERC, New Delhi
- The Chairman, Central Electricity Authority, New Delhi
- The Deputy Secretary to the Chief Secretary, Sachivalaya, Gandhinagar
- The Secretary, GERC Ashram Road, Nehrubridge, Ahmedabad
- *The Registrar, Gujarat High Court, Ahmedabad
- *The Secretary, Vigilance Commission, Gandhinagar
- *The Secretary, Gujarat Legislature Secretariate, Sachivalaya, Gandhinagar
- The Principal Secretary, Finance Department, Sachivalaya, Gandhinagar
- The Principal Resident Commissioner, Gujarat State, New Delhi
- The Chairman, Power Finance Corporation Limited, New Delhi
- The Chairman, Gujarat Urja Vikas Nigam Limited, Vadodara
- The Chairman & Managing Director, Pashchim Gujarat Vij Company Limited, Rajkot
- The Managing Director, Gujarat State Electricity Corporation Limited, Vadodara
- The Managing Director, Gujarat State Generation Ltd., Gandhinagar
- The Managing Director, Uttar Gujarat Vij Company Limited, Mehsana
- The Managing Director, Madhya Gujarat Vij Company Limited, Vadodara

- The Managing Director, Daxin Gujarat Vij Company Limited, Surat
- The Managing Director, GETCO, Vadodara
- The Director, Gujarat Energy Development Agency, Gandhinagar
- The Chief Electrical Inspector & Collector of Electricity Duty, Gandhinagar
- The Chief Executive Officer, Torrent Power Limited, LalDarwaja, Ahmedabad
- All Departments of Secretariat, Sachivalaya Gandhinagar
- All District Collectors, Gujarat State.
- All Branches of Energy & Petrochemicals Department
- Dy. S.O. Select File
- Select File

* By letter