

CENTRAL ELECTRICITY REGULATORY COMMISSION (CERC)
3rd & 4th Floor, Chanderlok Building, 36, Janpath, New Delhi – 110 001
Tel : 23753915/ Fax : 23753920

No.1/3/2009-Reg. Affairs (RE Tariff-FY-2010-11)(i)/CERC

Dated : 19th January, 2010

Dear Sir/Madam,

Sub: Public Hearing on ‘CERC (Terms & Conditions for Tariff Determination from Renewable Energy Sources) (First Amendment), Regulations, 2010’.

The Commission vide its Order in Petition No.13/2010 (Suo-Motu) dated 19th January, 2010 has directed inter alia that draft amendments to the CERC (Terms & Conditions of Tariff for determination from Renewable Energy Sources) Regulations, 2009 be notified to provide inter alia that the generic tariff determined for the Solar Thermal projects based on the benchmark Capital Cost and other Norms applicable for the financial year (FY) 2010-11 shall also apply for such projects commissioned during FY 2011-12. The relevant provisions of the said Order are quoted below:-

“Concerns have been expressed by some stakeholders after the notification of the RE Tariff Regulations, on the provision in the said Regulations regarding applicability of benchmark capital cost for Solar thermal project on annual basis. It has been argued that the gestation period of Solar thermal projects is around 18-24 months. As such provision in the Regulations that the capital cost of thermal projects will be reviewed annually, comes in the way of financial closure of such projects. Based on the feedback of the developers who are into the business of Solar thermal projects and the report of the consultant engaged by the Commission, it is felt that the matter regarding applicability of the benchmark capital cost and generic tariff for Solar thermal projects needs reconsideration in view of the gestation period for such projects being longer than one year and that the Solar thermal technology has not yet matured. With due consideration to this fact and to facilitate development of Solar thermal projects, it is proposed that the generic tariff determined for Solar thermal projects based on the benchmark capital cost and other norms applicable for the financial year (FY) 2010-11 shall also apply for the projects commissioned during 2011-12. However, an amendment is required to be made in RE Tariff Regulations to give effect to this. We direct that the draft amendments to this effect be notified.”

2. In compliance of the above directions of the Commission, the draft amendments to the CERC (Terms & Conditions of Tariff for determination from Renewable Energy Sources) Regulations, 2009 as endorsed by the Commission are **enclosed**. It is requested that comments on the draft amendments may be submitted to the undersigned by 09.02.2010. Public hearing on the above subject will be held on 10th February, 2010 as per details given below :-

Date	Venue	Timing	Invitees
10.02.2010 (Wednesday)	“CERC COURT ROOM” (Fourth Floor) Chanderlok Building, 36, Janpath New Delhi.	From 1500 Hrs. to 1600 Hrs.	Representatives of Central / State Governments / State Utilities / CPSUs / Trading Licensees / IEX Power Exchange / Individual Experts / NGOs / IPPs / Financial Institutions / Consultancy Firms / Developers / Association related with Renewable Energy.

3. The Commission values your views and firmly believes that your participation/participation of your organization in the public hearing will be of immense assistance in arriving at just and fair conclusions on the different issues at stake. I would, therefore, request you to attend the hearing on **10th February, 2010** or detail a responsible officer of your organization fully conversant with the subject matter.

4. To enable proper arrangements for the hearing, it is requested that the name of proposed participant(s) from your organization may please be communicated to the undersigned **latest by 09.02.2010**. Please also let us know if you/your organization propose to make a presentation during the hearing. The presentation may please be planned to be limited to duration of 5-10 minutes and be covered in not more than 8-10 slides. A line in confirmation about the participation in the hearing would be highly appreciated.

Yours faithfully,

Sd/-
(Alok Kumar)
Secretary