

**Policies Introduced / Incentives Declared by the State Governments for**

**Private Sector Wind Power Projects**

ITEMS	STATES								
	Andhra Pradesh	Gujarat	Karnataka	Kerala	Madhya Pradesh	Maharashtra	Rajasthan	Tamil Nadu	West Bengal
<b>Captive Use</b>	Allowed	Allowed	Allowed	Allowed	Allowed	Allowed	Allowed	Allowed	Allowed
<b>Wheeling</b>	At par with conventional	7% of energy for investor having one Turbine & 10% for others	5% of energy + Rs.1.15/kWh as cross subsidy for 3rd party sale.	To be decided by SERC	2% of energy + transmission charges as per ERC	2% of Energy as wheeling + 5% as T&D loss.	Below 132 kV, 50% of normal charges applicable to 33 kV decelared by commission + Surcharge + Losses *	5% of energy	7% of energy + open access charges
<b>Banking</b>		Not Allowed	Allowed @2% of energy input		Not Allowed	12 Months	Six Months	5% (12 months Financial year April to March)	
<b>Buy-back Rate by SEB</b>	Rs.3.50 per kWh without any escalation for 10 years as per AP Govt. Policy amendment Date 09.09.2008 subject to approval of APERC	Rs.3.50 per kWh	Rs. 3.40 per kWh without any escalation for 10 yrs of commercial operation	Rs. 3.14 per kWh without any escalation for 20 yrs.	Year wise rates (Rs./kWh) from 1 <sup>st</sup> to 20 <sup>th</sup> year : 1st Yr.:4.03, 2nd Yr.- 3.86, 3rd Yr.-3.69, 4th Yr.-3.52, 5th to 20th Yr. -3.36	Rs.3.50/kWh (First year of commissioning).	For Jaisalmer, Jodhpur and Barmer district Rs.3.60 per unit for injection in 33kV or 11kV system & Rs.3.71 per unit for injection in EHV	Rs.3.39 per kWh from 01.04.2009	Rs.4 per kWh

		(without any escalation for 20 yrs.)				(escalation of 15 paise per year for 13yrs)	system.  For other district Rs.3.78 per unit for injection on 33kV or 11 kV system & Rs.3.89 per unit for injection in EHV system.	Note : TNERC has proposed Rs.3.40 in its discussion paper. However, final order is yet to be issued.	
<b>Third Party Sale</b>	Allowed under Electricity Act 2003 subject to regulation framed by respective SERCs	Allowed under Electricity Act 2003 subject to regulation framed by respective SERCs	Allowed under Electricity Act 2003 subject to regulation framed by respective SERCs	Allowed under Electricity Act 2003 subject to regulation framed by respective SERCs	Allowed under Electricity Act 2003 subject to regulation framed by respective SERCs	Allowed under Electricity Act 2003 subject to regulation framed by respective SERCs	Allowed under Electricity Act 2003 subject to regulation framed by respective SERCs	Allowed under Electricity Act 2003 subject to regulation framed by respective SERCs	Allowed under Electricity Act 2003 subject to regulation framed by respective SERCs
<b>Other Incentives</b>	Industry Status	E.D. Exempted, Demand cut 30% of windfarm	No electricity Duty for 5 yrs		No electricity Duty for 5 yrs	# Power evacuation arrangement, Approach Road, Electricity	Exemption from electricity	<b>Project base Tariff for the single Project of</b>	

		installed capacity				Duty, Loan to cooperative societies	Duty @50% for 7 years	morethan 200 MW	
Penalty on kVArh consumption	10 paise per kVArh upto 10% & 25 paise per kVArh above 10%	10 paise per kVArh up to 10% and 20 paise per kVArh above 10%	Rs. 0.40 Per kVArh		27 paise per kVArh	25 paise per kVArh	5 paise per uear w.e.f. 01/04/2006 with escalation of 5% per year	25 paise per kVArh if the ration of kVArh drawn to KWh exported is upto 10% and 50 paise per kVArh for more than 10%.	

**Notes :**

1. # Other incentives in Maharashtra are : (a) For evacuation arrangement of wind energy project, 50% amount will be given as a subsidy through Green energy fund and 50% amount will be given as a loan without interest to private developers. The loan will be repaid by MSEB/transmission licensees after commissioning and transferring the ownership of evacuation arrangement to MSEB / transmission licensees in 5 equal yearly installments. (b) 100% expenditure for construction of approach roads will be made through Green energy fund. (c) No electricity duty for 5 years for captive use. (d) 11% share capital will be provided to cooperative sector for seting up of wind power projects as a grant through Green energy fund.

2. \* 4.5% for supply to consumer directly on EHV systemand 8.3% for supply using distribution licensee below 132 KV.

3. For latest and detailed information refer concerning State Nodal Agencies / State Electricity Regulatory Commissions.