

OPERATIONAL GUIDELINES

for

Implementation of

“Generation Based Incentive”

for Grid Connected Wind Power Projects

by

Indian Renewable Energy Development Agency
Ltd. (IREDA)

(To be read with the Scheme for implementation of GBI issued by MNRE dt.
17.12.2009)

<p>Ministry of New and Renewable Energy(MNRE)</p> <p>Block-14, CGO Complex, Lodhi Road, New Delhi-110 003, India. Tel: 91-11-24361298,24360707 Fax: 91-11-24361830 Website: http://mnre.gov.in</p>	<p>Indian Renewable Energy Development Agency Limited (A Government of India Enterprise) 3rd Floor, August Kranti Bhawan, Bhikaji Cama Place, New Delhi – 110 066. India Tel: +91 11 26717400 - 26717413 Fax: +91 11 26717416 Website: http://www.ireda.in</p>
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1 THE SCHEME:

The Ministry of New and Renewable Energy (MNRE) has announced the Generation Based Incentive (GBI) for Grid Interactive Wind Power Projects commissioned after 17.12.2009. The main Objectives of the GBI scheme are:

- a. To Broaden Investor Base by:
 - ✓ Facilitating the entry of large Independent Power Producers (IPPs)
 - ✓ Attracting FDI in the Wind Power Sector
- b. To Provide level playing field between various classes of investors.
- c. To incentivize higher efficiencies.
- d. To provide a framework for transition from an investment based incentive to outcome based incentive.

The main features of the scheme are:

- (i) Companies shall be allowed to avail either AD or GBI but not both.
- (ii) The GBI is @ Re. 0.50 per unit of electricity fed into the grid with a cap of Rs.62 Lakh/MW. The GBI is over and above the tariff approved by State Electricity Regulatory Commission.
- (iii) The incentive will be for a minimum period of 4 years and a maximum of 10 years. The total disbursement in a year will not exceed one fourth of the maximum limit of the incentive, i.e. Rs.15.50 lakh per MW during first four years.
- (iv) There is no floor or ceiling for a developer in terms of the MW capacity that can be considered for availing the incentive.
- (v) All wind power projects whose machines are commissioned in India after 17.12.2009 and on or before 31.03.2012 and wishing to avail either Accelerated Depreciation (AD) benefit or Generation Based Incentive (GBI) are required to be registered with IREDA.

- (vi) Post registration; a Registration Number and a Unique Identification Number (UIN) shall be allotted to each project and each machine commissioned respectively.

2 ELIGIBILITY FOR AVAILING GBI:

- 2.1 The claim for GBI would be applicable for those power producers who have Wind turbines commissioned after 17.12.2009. The scheme is however limited to a capacity of first 4000 MW commissioned through GBI on or before 31.03.2012.
- 2.2 The incentive would be available for grid connected wind power projects set up for sale of electricity to grid, at a tariff notified by SERC and /or State Govt. and also for Captive Wind Power Projects including Group Captive to the extent of sale of electricity to the grid.

Exclusion: GBI would not be available to any wind power project selling power to third party, (viz. merchant power plants).

3 DOCUMENTS REQUIRED FOR REGISTRATION FOR CLAIMING GENERATION BASED INCENTIVE (GBI)

- 3.1. Registration form duly filled in as per the format at Annexure I. Wind Turbine Generator/ Project details as per format at Annexure II.
- 3.2. Copies of Commissioning Certificates, original or duly certified by an officer not below the rank of an Executive Engineer or equivalent in the concerned Utility/ State Nodal Agency/ any other State Govt. Competent Authority.

- 3.3. Declaration from authorized signatory along with Board's Resolution as per the format at Annexure III (a).
- 3.4. A onetime non refundable upfront processing fee for registration, compilation of data and analysis & processing of GBI, payable to IREDA @ Rs. 75,000/- per MW, with service tax at applicable rate by DD/ RTGS.

4 DOCUMENTS REQUIRED FOR REGISTRATION FOR PROJECTS UNDER ACCELERATED DEPRECIATION (AD)

- 4.1. Registration form duly filled in as per format at Annexure I. Wind Turbine Generator/ Project details as per the format at Annexure II.
- 4.2. Copies of Commissioning Certificates, original or duly certified by an Officer not below the rank of an Executive Engineer or equivalent in the concerned Utility/ State Nodal Agency/ any other State Govt. Competent Authority
- 4.3. Declaration from authorized signatory along with Board's Resolution as per the format at Annexure III (b).
- 4.4. A onetime non refundable upfront processing fee for registration, compilation of data and analysis as required by the Ministry of Finance, payable to IREDA @ Rs. 25,000/- per MW, with service tax at applicable rate by DD/ RTGS.

Note for point (3) & (4):

- *The commissioning certificate should indicate the location number for each individual turbine.*
- *All machines are required to have the Unique Identification Number (UIN) issued by IREDA for each commissioned machine to be painted vertically on the Tower. In case of lattice tower, the number can be painted on one of the corners/ edges of the tower. The height at which the ten-digit UIN should be painted would be at 10 ft. from the base. The size of each letter should be 2.5" each in Arial Font. The machines availing the benefit of AD should have the number painted in Red colour and the machines under GBI needs to painted in Green colour.*
- *The registration shall be initially done manually till online facility is commenced.*
- *For the purpose of claiming accelerated depreciation, IREDA would issue a certificate. Wind power producers can also register part projects commissioned upto 31st March for claiming accelerated depreciation.*

5 DOCUMENTS REQUIRED FOR CLAIM OF GBI

- 5.1. Claim form duly filled in shall be submitted in IREDA's format.
- 5.2. Copy of Joint meter reading (JMR) report by utility.
- 5.3. Copy of invoice raised as per JMR.
- 5.4. Copy of tax returns certified by Chartered Accountant who conducted statutory audit under section 44AB of the Income Tax act stating that no AD has been claimed.

Note:

- *The claims for GBI can be availed on a half yearly basis (April-September and October-March).*
- *The claim form shall be uploaded at www.ireda.in in due course of time.*

6 QUERIES:

Any queries in regard to registration for GBI and AD and claim of GBI, may be sent to windgbi.adquery@ireda.in or may contact – Mr. Praveen Khambra & Ms. Jaya Nagdeo at 26717400 – 14, Ext.: 171, 118.

7 STEPS TO REGISTER:

- a. Fill in the complete details in the registration form at Annexure I & II and send it through e-mail at windgbi.ad@ireda.in
- b. Attach scanned copies of commissioning certificates and Demand Draft and send them through e-mail at windgbi.ad@ireda.in
- c. Send the duly certified hard copies of commissioning certificates, demand draft (not required if payment is through RTGS), Declaration as per Annexure III (a) or III (b) as applicable at the following Corporate Office address of IREDA:

Chairman and Managing Director
Indian Renewable Energy Development Agency Ltd.,
3rd Floor, August Kranti Bhawan,
Bhikaji Cama Place,
New Delhi – 110066.

d. Project registration number and Unique Identification Number for each commissioned machine shall be forwarded on receipt of hard copies of above documents.

**(To be submitted on the letter head of the Company for claiming GBI from the
Authorised Signatory of the Company)**

DECLARATION

1. I hereby declare that all details and information given in this form along with machine details at Annexure-II on behalf of << **Name of Project Company**>> at District :<< **District**>> State<<**State**>> for a capacity of<<**MW**>>MW, consisting of <<**N**>> WTGS of <<**KW**>>KW each; is true, complete and accurate to the best of my knowledge.
2. I confirm that no accelerated depreciation shall be availed for turbines as per Annexure-II.
3. I confirm that UIN issued by IREDA shall be painted on the tower and shall not be tampered with.
4. I promise to abide by the Generation Based Incentive scheme as announced by the MNRE.
5. In case of any change in the information provided, I shall inform the same to IREDA within one month of the occurrence of such a change.
6. I further understand that mere registration of the project for GBI does not entitle us to receive the GBI.
7. I agree to provide monthly generation data in the format on half-yearly basis to IREDA either through SCADA or any suitable measures.
8. I understand and accept that in case, at any point of time, the information furnished by me for and on behalf of << **Name of Project Company**>> is found to be incorrect, the entire GBI amount received including any penal interests as applicable shall be liable to be recovered by IREDA.

Signature: _____

Name & Designation:

Name of the Organization:

Rubber Stamp:

Place:

Dated:

Annexure III (b)

(To be submitted on the letter head of the Company for receiving Certificate for availing accelerated depreciation from the Authorized Signatory of the Company)

DECLARATION

1. I hereby declare that all details and information given in this form along with machine details at Annexure-II on behalf of << **Name of Project Company**>> at District :<< **District**>> State<<**State**>> for a capacity of<<**MW**>>MW, consisting of <<**N**>> WTGS of <<**KW**>>KW each; is true, complete and accurate to the best of my knowledge.
2. I confirm that no Generation Based Incentive shall be availed for turbines as per Annexure-II.
3. I confirm that UIN issued by IREDA shall be painted on the tower and shall not be tampered with.
4. In case of any change in the information provided, I shall inform the same to IREDA within one month of the occurrence of such a change.
5. I agree to provide monthly generation data in the format on half-yearly basis to IREDA either through SCADA or any suitable measures, as and when called for.
6. I understand and accept that in case, at any point of time, the information furnished by me for and on behalf of << **Name of Project Company**>> is found to be incorrect, the Certificate received shall be deemed to be null and void and shall be reported to Department of Revenue.

Signature: _____

Name & Designation:

Name of the Organization:

Rubber Stamp:

Place:

Dated:

