

Government of Rajasthan
Energy Department

No.F.12(17)Energy/93 Dated : July 15, 1999

NOTIFICATION

Revised Captive Power Plant Policy
(Amended upto 18th January, 2003)

1.0 Objective

With a view to create an institutional mechanism for providing easy and automatic entry for industry to meet its requirement of energy by setting up its own generating stations, the State Government hereby notifies a Revised Captive Power Plant Policy. This policy supersedes all previous orders/ instructions issued by the Government of Rajasthan (GOR)/ Rajasthan State Electricity Board (RSEB) in this regard. However, in respect of Non-Conventional Energy Sources Power Plants, Policy as Notified by GOR vide No. F20(3) Energy/98 dt. 11.03.99 shall apply.

2.0 Operative Period

This policy comes into operation with immediate effect and shall remain applicable for Captive Power Plants established upto 31st March, 2004, until superseded or modified by any other order of the GOR.

3.0 Definitions

3.1 * Captive Power Plant is a generating unit(s) with aggregate capacity not exceeding 166 MW which produces power for captive consumption of its owners.

Explanation : For the purpose of this clause owner is defined as shareholder/s of a Company, (registered under the Indian Companies Act, 1956), holding a minimum of 17% of the subscribed equity Capital, a partner/s in a partnership firm or an individual.

3.2 Captive Power Consumer is a consumer receiving power from a Captive Power Plant.

Provided that Rajasthan Rajya Vidyut Prasaran Nigam Ltd. (RVPN)/ Jaipur/Ajmer/Jodhpur Distribution Companies {Discom(s)} shall not be considered as a Captive Power Consumer.

4.0 Eligibility

Any Captive Power Plant commissioned within the Operative Period for meeting the requirements of Captive Power Consumers is eligible under this policy.

· Amended vide Notification No. F.12(17)Energy/93 dated 9 May 2002 issued by GoR.

5.0 Categories

5.1 A Captive Power Plant supplying Power to Captive Power Consumer/s wholly using its own independent transmission lines and not connected with the RVPN's grid system would be considered Category 'A' Captive Power Plant.

5.2 A Captive Power Plant supplying power to Captive Power Consumer/s wholly using RVPN/Discom's transmission lines would be considered Category 'B' Captive Power Plant.

5.3 A Captive Power Plant supplying power to Captive Power Consumer/s, partly using RVPN/Discom's and partly its own independent transmission lines and connected with the RVPN/Discom's grid system would be considered Category 'C' Captive Power Plant.

5.4 Captive Power Consumers who have contract demand from the Discom(s) would be referred to as Category-I. Captive Power Consumer, while those who do not have the same would be referred to as Category-II. Captive Power Consumer.

6.0 Fuel Source and Capacity Restriction

6.1 The Captive Power Plant may use any conventional fuel subject to restrictions imposed by GOI. Captive Power Producer shall be responsible for arranging allocations, linkages and clearances required for the fuel for the Captive Power Plant from the concerned authority.

6.2 Installed generating capacity of the Captive Power Plant of Categories 'B' & 'C' shall not exceed the demand of its consumers and prescribed line losses.

7.0 Voltage of supply

7.1 The voltage of supply of power from Captive Power Plant to the Captive Power Consumer(s) under Category-I shall be the voltage at which power supply is effected by RVPN/Discom(s) to the said Captive Power Consumer(s).

7.2 The voltage of supply of power to RVPN/Discom(s) grid from Captive Power Plants (Categories 'B' and 'C') shall be subject to RVPN/Discom's approval, but shall normally be as under :-

Upto 10 MW	33 kV	Upto 50 MW	132 kV
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In excess of 50 MW 132 kv or 220 kV (at RVPN/Discom's option)

7.3* Nominal frequency for power supply will be 50 Hz. However flow of energy will be regulated as per the instructions of State Load Despatch Centre as per system requirement in the high frequency regime.

* Amended vide Notification No. F.12(17) Energy/93 Dated : 26 Feb.2002 issued by GOR.

7.4 The Power factor of power delivered by Captive Power Plant shall normally be 0.8 (lag.)

7.5 Supply of power by Discom(s) to Captive Power Plant during the construction, startup and shut down of Plant will be at HT large industrial load tariff.

8.0* System Stand by Charges/ Fixed Charges

8.1** The captive Consumers of Category-I will be required to pay "fixed and other charges" to Discom(s) as per applicable tariff determined by Rajasthan Electricity Regulatory Commission.

8.2* CPP of category "B" and "C" requiring RVPN/ Discom(s) system standby support will be required to bear system standby charges @ Rs. 4.5 lacs per MVA per year payable on monthly basis in advance and indexed to the H.T. large industrial tariff applicable as on 1.7.99.

9.0 Wheeling/Transmission Charges & T&D Losses

9.1 Captive Power Plants using RVPN/Discom's Grid System for wheeling of power/ energy will have to bear wheeling charges and T&D losses

equivalent to 12.5% of the energy supplied for wheeling to the Captive Power Consumers at 132 kV (and above) and 17.5% of the energy supplied for wheeling to the Captive Power Consumers at 33 kV.

10.0 Inadvertent flow of power to RVPN

10.1* The policy does not envisage regular sale of surplus energy to the RVPN grid. However, only inadvertent net flow of power/energy to the RVPN grid at a system frequency upto 50.2 Hz. shall be paid at a rate of 65% of H.T. large industrial tariff including fuel surcharge applicable to large industrial loads for the months of November to June and @ 60% of the energy charges applicable under large industrial tariff for the months of July to October.

*** In case of supply of surplus power in the RVPN Grid at system frequency above 50.2 Hz., the rate of inadvertent supply of such energy shall be @ 70 paisa per unit.

In case it is not possible to determine the inadvertent flow of energy above & below 50.2 Hz. due to absence of frequency based data of consumption of each consumer, the same shall be determined pro rata on the basis of frequency profile of delivered energy.

10.2 For this purpose the Captive Power Plant will maintain a daily log of hourly generation and frequency, a copy of which will also be furnished to the RVPN/Discom(s) on a daily basis.

* Amended vide Notification No. F.12(17) Energy/93 Dated : 26 Feb.2002 issued by GOR.

** Incorporated as per Notification No. F.12(17) Energy/93 Dated : 26 Feb.2002 issued by GOR.

*** Modified as per Notification No. F.12(17)Energy/93 Dated 18.01.2003 issued by GoR.

10.3 Sale of power from Captive Power Plant to consumers outside the State will not be permitted.

11.0 Banking of Energy

No banking of energy beyond billing cycle of Captive Power Consumer will be permitted. Any difference between delivered energy and energy consumption of Captive Power Consumers, duly adjusted for wheeling charges & T&D losses, etc. shall be deemed to be inadvertent power supplied to RVPN and such inadvertent supply during billing cycle of Captive

Power Consumers will be paid according to the provisions of Clause 10.1 above.

12.0 Agreement

12.1 All Captive Power Consumers drawing power from Captive Power Plant through RVPN/Discom(s) system will abide by General Conditions of Supply of Power from Discom(s).

12.2 Multiipartite Transmission cum Power Agreement will be executed between the Owner of Captive Power Plant, Captive Power Consumer (utilising RVPN/ Discom's transmission system) and RVPN and Discom(s).

12.3 Separate Agreement will be executed between RVPN/Discom(s) and Owner of Captive Power Plant for the inadvertent supply of power and supply of power during construction, start up and shut down of the power plant.

13.0 Miscellaneous

13.1 Any disputes or differences over the provisions of this policy shall be settled by mutual discussions or by sole arbitration of Chief Secretary, Government of Rajasthan or his nominee.

13.2 The consent for Captive Power Plant shall not be granted to the industry which is in arrears of Discom's dues on account of theft cases, malpractices or undisputed outstandings of any kind at the time of Captive Power Plant application.

13.3 All decisions regarding the grant of consent for installation of Captive Power Plant, wheeling permission to Captive Power Plant and decisions regarding inadvertent supply of power, shall be taken by the GOR/ RVPN/Discom(s).

By order
(C.S. Rajan)
Secretary to Government