

### I-Major Changes between 2012 wind tariff order and 2016 wind tariff order

Components	2012 wind tariff order	2016 wind tariff order
Capital cost	5.75 Crores	6.2 Crores
Insurance	Insurance charges Clubbed with O&M charges. Not allowed separately.	0.75% on 85% of the Capital Cost for the first year and to be reduced by 0.5% every year
Life of Plant	20 Years	25 years
Interest on loan	12.25%	13.00%
ROE	19.85% pre-tax return on equity in this order as adopted in the previous tariff order.	20% (pre-tax) per annum without linking it to MAT and IT
Debt Equity Ratio	70:30	70:30
Time value of money (Discount factor)	Time value of money is not considered	Discount factor of 10.21%
Tariff	The tariff works out to Rs. 3.51 per unit for the period up to 31-07-2014.	The tariff works out to Rs.4.16 per unit without accelerated depreciation benefit and Rs.3.70 per unit with accelerated depreciation benefit.
Banking Charges	94 Paise per unit	12% in kind. (76.20 paise per unit)
Scheduling and system operation Charges	If the generator capacity is 2 MW and above, a scheduling and system operation charge of Rs.600/- per day would apply. If the generator capacity is less than 2 MW, the charges shall be proportionate	40% of the Scheduling and system operation Charges as applicable to the conventional power.  <b><u>(i.e Rs 800 per day per transaction. It is very high for small capacity WEGs)</u></b>
Billing and payment	The distribution licensee shall make payment to the generator within 30 days of receipt of the bill. Any delayed payment beyond 30 days is liable for interest at the rate of 1% per month	The distribution licensee shall make payment to the generator in <b>60 days of receipt of the bill</b> . Any delayed payment beyond 60 days is liable for interest at the rate of 1% per month.