



***Evaluation of Generation Based Incentives Scheme for Wind Power Projects.***

***Preliminary Expression of Interest for filing Strategic Storage Facility.***

If you have questions or would like additional information on the material covered in this Newsletter, please contact the authors:

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**Evaluation of Generation Based Incentives Scheme for Wind Power Projects**

The Ministry of New and Renewable Energy ("MNRE") has invited comments and suggestions to the report titled "Evaluation of Generation Based Incentives Scheme for Wind Power Projects" undertaken by the Indian Renewable Development Agency ("IREDA") through CRISIL. The report is a result of the study undertaken to assess (a) the performance of the generation based incentive ("GBI") scheme and whether it should be continued; (b) the implementation procedure and guidelines of the GBI scheme and suggest modifications and changes; and (c) the adequacy (or inadequacy) of benefits under the GBI scheme. A copy of the report can be found [here](#).

The GBI scheme was first introduced in December 2009, withdrawn in March 2012, and thereafter reintroduced in September 2013. The present scheme is applicable upto to March 2017. Under the scheme, GBI is provided to wind electricity producers @ Rs. 0.50 per unit of electricity fed into the grid for a period of not less than four years and a maximum period of 10 years, with a cap of Rs. 10 million per MW (though the total disbursement in a year cannot exceed one-fourth of the maximum limit of the incentive, i.e., Rs. 2.5 million per MW per annum during the first four years).

**Preliminary Expression of Interest for filing Strategic Storage Facility**

In terms of the Integrated Energy Policy of India, "a reserve equivalent to 90 days of oil imports should be maintained for strategic cum buffer stock purposes", which would be used to address short term price volatility.

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Accordingly, towards ensuring India's energy security, Indian Strategic Petroleum Reserves Limited ("ISPRL"), a special purpose vehicle, which has oversight of construction of strategic crude oil storage facilities in India, has, on behalf of the Government of India, invited preliminary expressions of interest from reputed companies, traders, financial institutions, multinational companies, either individually or as a consortium, for storing crude oil in any one or more compartments of the strategic crude oil storage facility constructed at Padur in the State of Karnataka.

The Padur facility which is expected to be ready for crude filling in the first quarter of 2017, is connected to the 15 MMT Mangalore oil refinery and has four compartments which provide a total storage capacity of 19.4 million barrels.

Interested bidders are to apply by December 30, 2016, with details of the quantum of storage and number of compartments preferred, percentage of storage proposed as strategic volume, duration of storage, replenishment period of quantity utilized, and proposed revenue model and duration.

**Feedback**

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