

The interim measure of renewable energy power price additional subsidy funds management

Chapter 1 General Principles

Section 1: Regarding to《China Renewable Energy Law》and 《Ministry of Finance , The National Development and Reform Commission and National Energy Administration published the notice of < The Interim Measure of Renewable Energy Power Price Additional Subsidy Funds Management>》 (Finance [2011]115),

Section 2: In term of this renewable energy power generation means wind power generation and biomass power generation (including forestry waste combustion and gasification directly, garbage incineration and waste landfill gas power generation and methane gas power generation), solar, geothermal and ocean energy power generation, etc.

Chapter 2 Confirmation on Subsidy Project

Section 3: Apply for subsidy project must meet the following conditions:

1. Belong to the subsidies range of 《Ministry of Finance , The National Development and Reform Commission and National Energy Administration published the notice of < The Interim Measure of Renewable Energy Power Price Additional Subsidy Funds Management >》
2. According to the relevant provisions of the state has completed the examination, approval and record, it must be confirmed by National Energy Administration. The specific confirmation measure shall be formulated separately by National Energy Administration.
3. Comply with the National Renewable Energy Price Policy and the price of Feedin Tariff has already approved by price departments.
4. Comply with the provisions of section 3, the enterprise of renewable power generation, the enterprise of renewable energy power generation and nets engineering project units, the enterprise of public renewable energy independent power system project shall be territoriality allocated applying the subsidies from local provincial finance, the price and the energy department. (See format appendix 1). The provincial finance, the price and the energy department should reported united after preliminary examination to Ministry of Finance, the National Development and Reform Commission and National Energy Administration.

5. Ministry of Finance, the National Development and Reform Commission and National Energy Administration should approve the materials reported from local provincial and put the appropriate project listed into the Renewable Energy Price Additional Subsidy Funds Management.

Chapter 3 Subsidy Standard

6. The factors of renewable energy power generation project with its subsidy standard on net electric quantity shall be confirmed by renewable energy feedin tariff and the desulfurization coal-fired unit price benchmarking.
7. Designed for renewable energy power generation project access to network system and the project happened investment and operation maintenance costs should give appropriate subsidy according to net electric quantity. The subsidy standard are: less than 50km/ ¥0.01kw/h; 50-100km/ ¥0.02kw/h; Over than 100km/ ¥0.03kw/h.
8. Sale price of public renewable energy independence power system on the national investment or construction subsidies should implement the same area classification sales price. The reasonable operation and management costs beyond the sale price should give appropriate subsidy through out the renewable energy price additional, the subsidy standard is ¥4000 kw/h per year.
9. The price policy of renewable energy power projects, nets engineering project and public renewable energy independent power system will be confirmed by National Development and Reform Commission in accordance with the different factors of renewable energy power and different region situation, as well as in accordance with the principle on promoting renewable energy development, utilization and economic reasonable. Finally, it will timely adjust according to the renewable energy development and utilization technology.

Regarding to 《China Renewable Energy Law》 with its relevant regulations through out the competitive bidding that the way determined the feedin tariff. Also it has to implement in accordance with bidding price. But it shall not be higher than the similar renewable energy project of the government pricing levels.

Chapter 4 Budget Management and Funds Appropriated

10. According to the central government fund budget management requirements and procedures, the Ministry of Finance, National Development and Reform Commission and National Energy Administration make the renewable energy price additional subsidy funds annual budget.

11. Renewable energy price additional subsidy funds is implementing in principle of quarter appropriated and year-end settlement. Provincial grid enterprises and local independent power enterprise will be in accordance with the local power grid within the scope of cover in renewable energy price additional funding directory grid generation projects and pick up nets engineering related situation. In every quarter of third month provide the renewable energy price additional subsidy funds application form in advance 10 days (see format appendix 2), after local provincial finance, price, energy department auditing submitted to Ministry of Finance, National Development and Reform Commission and National Energy Administration.

Public renewable energy independent power system project will provide liquidation report at the end of year, at same time provide funds application.

12. Ministry of Finance will according to renewable energy price additional income, provincial grid enterprises and local independent power enterprise funds application situation make funds appropriated to local finance department. While, the provincial finance department will in accordance with the relevant provisions of treasury management system timely appropriated funds.
13. Provincial grid enterprises and local independent power enterprise should be in accordance with renewable energy power price on net and actual takeover from renewable energy power electric quantity on net, and shall be settlement by each month with renewable power generation enterprise.
14. Year end within one month, provincial grid enterprises, local independent power enterprise and public renewable energy independent power system project enterprise should prepare the last year renewable energy price additional subsidy fund settlement application form (see format appendix 3), and report to provincial public finance, price, energy department, as well as submit the annual electricity statements or power related statements proof.
15. Provincial finance, price and energy department will review preliminary examination materials and feedback it. Finally report to Ministry of Finance, The National Development and Reform Commission and of National Energy Administration.
16. Ministry of Finance, the National Development and Reform Commission and National Energy Administration will organize audit these material, at same time make subsidy funds liquidation.

Chapter 5 Additional Principles

17. Explanation rights belong to Ministry of Finance, the National Development and Reform Commission and National Energy Administration.

18. These measures will implement from date promulgation. 2012 Renewable energy price additional subsidy funds application, approval and appropriated should implement in accordance with these measures.