

energy as in essence the MID levy on petroleum products has been set up to increase resilience on renewable energy.

4.4.1.8 The JTC recommends that the total fund available for bagasse be credited to the Sugar Cane Sustainability Fund to be used to effect payment to the cane planters as per breakdown provided in the Table7 below.

Table 7: Bagasse Remuneration to Planters (based on 350 GWh)

	Small Planters	Planters >60t	Corporate Planters		
Sugar sharing on total sugar produced	16%	32%	30%		
Sugar	56,000 t	112,000 t	105,000 t		
Bagasse remuneration (Rs / t sugar)				Rs (M)	
BTP	150	150	55	64	Note 1
MID Coal Levy	1,100	300	300	137	Note 2
	447	447	447	122	Note 3
<i>Sub total</i>	<i>1,697</i>	<i>897</i>	<i>802</i>	<i>323</i>	
MID Petroleum	530	530	530	145	Note 4
CEB contribution	865	700	700	200	Note 5
TOTAL Bagasse remuneration	3,092	2,127	2,032	668	

Note 1: BTPF (Bagasse Transfer Price Fund) created in 1985 and sharing established in SIE Act

Note 2: Sugar Cane Sustainability Fund created 2015 and sharing as per Cabinet decision 11.12.2015

Note 3: Equal sharing of Rs122M, balance to Rs259M of MID Coal levy

Note 4: Equal sharing of Rs145M

Note 5: Positive sharing differential to small planters

4.4.2 Remuneration for Cane Trash

4.4.2.1 Cane trash is a biomass having a high potential of green energy that could contribute in the short to medium term some 70 GWh to the country's energy mix production. During discussions held at the level of the RNC with regard to the implementation of the new Alteo Power Plant, the principle of remuneration for the collection, transport and processing of cane trash on the avoided cost of coal was agreed upon. It was also agreed that trash commodity would be remunerated at Rs 1.00/ kwh by Alteo. This is equivalent to an estimated Rs 1,000 / t trash or Rs 600 to Rs 800/ t sugar to suppliers of trash. The JTC recommends that the same approach be adopted during consultations with other IPPs.

4.4.2.2 The trash commodity price will be credited by the IPP's to the Sugar Cane Sustainability Fund and subsequently distributed by the MSS to all