



Tarun Kapoor, IAS
Joint Secretary

भारत सरकार
नवीन और नवीकरणीय ऊर्जा मंत्रालय
GOVERNMENT OF INDIA
MINISTRY OF NEW AND RENEWABLE ENERGY

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The Secretary

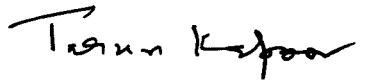
Central Electricity Regulatory Commission
3rd & 4th Floor, Chanderlok Building,
36, Janpath,
New Delhi- 110001

Sub.: **Backing down of Solar Projects.**

Madam,

Some developers have been pointing out in various meetings that some load dispatch centres are asking solar projects to back down due to various reasons. Solar power projects have must run status as there is no fuel cost and if any backing down is to be done, thermal projects should be asked to back down so that some fuel is saved. That is the reason why two part tariff is given in the case of thermal power and only single tariff is given to solar power projects. However, in actual practice when solar power projects are asked to back down they do not even get the benefit of two part tariff and are not paid anything for the loss of energy that they suffer. This can make solar power unattractive particularly when projects are being allotted through competitive bidding and tariffs have come down drastically. Some solar power developers have now started asking for two part tariff for solar also. This may, however, be difficult as most of the cost in solar power project is fixed cost. There is thus need for clear regulations by appropriate commissions to enforce must run status for solar power project. They should be paid full tariff if they are forced to back down in rare cases. It is requested that this issue be placed before Forum of Regulators so that some consensus can be reached on this issue.

Yours sincerely,


(Tarun Kapoor)

CC: **Principal Secretary / Secretary (Power & Renewable) of all States** with request that solar power projects should not be asked to back down.