

No. 302/4/2017-GRID SOLAR
भारत सरकार / Government of India
नवीन और नवीकरणीय ऊर्जा मंत्रालय/ Ministry of New & Renewable Energy
ग्रिड सौर ऊर्जा प्रभाग / Grid Solar Power Division

Block No. 14, C.G.O. Complex,
Lodi Road, New Delhi - 110003

Dated: 10th May, 2021

ORDER

Subject: Implementation of Central Public Sector Undertaking (CPSU) Scheme Phase-II (Government Producer Scheme) for setting up 12,000 MW grid-connected Solar Photovoltaic (PV) Power Projects by the Government Producers with Viability Gap Funding (VGF) support for self-use or use by Government/ Government entities, either directly or through Distribution Companies (DISCOMS)-Amendment -reg.

1. Reference is invited to this Ministry's Order No. 302/4/2017-GRID SOLAR dated 5th March 2019 and amendment thereto vide Order No. 283/20/2019-GRID SOLAR-Part(2) dated 13th April 2020 and it is hereby conveyed that the Order for Scheme Guidelines for Central Public Sector Undertaking (CPSU) Scheme Phase-II (Government Producer Scheme) stands amended as follows:

Clause No.	Existing Provision	Modified Provision
3.2.3	<p>3.2.3 Usage Charges:</p> <p>Power produced by the Government Producers can be used for self-use or use by Government/ Government entities, either directly or through DISCOMS on payment of mutually agreed usage charges of not more than <u>Rs. 2.80/unit</u>, which shall be exclusive of any other third party charges like wheeling and transmission charges and losses, point of connection charges and losses, cross-subsidy surcharge, State Load Despatch Centre (SLDC)/ Regional Load Despatch Centre (RLDC) charges, etc. as may be applicable.</p>	<p>3.2.3 Usage Charges:</p> <p>Power produced by the Government Producers can be used for self-use or use by Government/ Government entities, either directly or through DISCOMS on payment of mutually agreed usage charges of not more than <u>Rs. 2.45/unit</u>, which shall be exclusive of any other third party charges like wheeling and transmission charges and losses, point of connection charges and losses, cross-subsidy surcharge, State Load Despatch Centre (SLDC)/ Regional Load Despatch Centre (RLDC) charges, etc. as may be applicable.</p>
3.2.5	<p>3.2.5 VGF:</p> <p>3.2.5.1 With the objective of covering the cost difference between the domestically produced solar cells and modules and imported solar cells and modules, VGF shall be provided under the Scheme. While the maximum permissible VGF has been kept at <u>Rs. 0.70 cr./MW</u>, the actual VGF to be given to a Government Producer under the Scheme would be decided through bidding using VGF amount as a bid parameter to select project proponent. The Indian Renewable Energy Development Agency Limited (IREDA) will be entrusted with the task of conducting the bidding amongst</p>	<p>3.2.5 VGF:</p> <p>3.2.5.1 With the objective of covering the cost difference between the domestically produced solar cells and modules and imported solar cells and modules, VGF shall be provided under the Scheme. While the maximum permissible VGF has been kept at <u>Rs. 0.55 cr./MW</u>, the actual VGF to be given to a Government Producer under the Scheme would be decided through bidding using VGF amount as a bid parameter to select project proponent. The Indian Renewable Energy Development Agency Limited (IREDA) will be entrusted with the task of conducting the bidding amongst</p>

Clause No.	Existing Provision	Modified Provision
	<p>Government Producers for allocation of solar power project capacity under the Scheme, with VGF amount as a bid parameter to select project proponent. The maximum permissible VGF amount will also be reviewed from time to time, by MNRE, and will be reduced by MNRE if the cost difference comes down. VGF will be released in two tranches as follows:</p> <ul style="list-style-type: none"> i. 50% on Award of contract to the EPC contractor (including in-house EPC Division); and ii. balance 50% on successful commissioning of the full capacity of the project <p>3.2.5.2 The VGF provided under the Scheme can be used by the Government Producers as their equity in solar power project(s) being set up them under this Scheme.</p> <p>3.2.5.3 If a Government Producer sets up solar PV power project(s) under CPSU Scheme Phase-II, in an UMREPP/ Solar Park, both, the Central Financial Assistance (CFA) as per UMREPP/ Solar Park Scheme as well as VGF under the CPSU Scheme Phase-II, will be eligible.</p>	<p>Government Producers for allocation of solar power project capacity under the Scheme, with VGF amount as a bid parameter to select project proponent. The maximum permissible VGF amount will also be reviewed from time to time, by MNRE, and will be reduced by MNRE if the cost difference comes down. VGF will be released in two tranches as follows:</p> <ul style="list-style-type: none"> i. 50% on Award of contract to the EPC contractor (including in-house EPC Division); and ii. balance 50% on successful commissioning of the full capacity of the project <p>3.2.5.2 The VGF provided under the Scheme can be used by the Government Producers as their equity in solar power project(s) being set up them under this Scheme.</p> <p>3.2.5.3 If a Government Producer sets up solar PV power project(s) under CPSU Scheme Phase-II, in an UMREPP/ Solar Park, both, the Central Financial Assistance (CFA) as per UMREPP/ Solar Park Scheme as well as VGF under the CPSU Scheme Phase-II, will be eligible.</p>
3.6.1	<p>3.6.1 Timelines for project commissioning:</p> <p>The solar power projects under this scheme shall be commissioned within a period of:</p> <ul style="list-style-type: none"> (i). For projects upto 500 MW capacity: Projects to be commissioned within 24 (twenty four) months from the date of letter of award (ii). For projects more than 500 MW capacity: Capacity upto 500 MW must be commissioned within 24 (twenty four) months from the date of letter of award and balance capacity to be commissioned within next six months. 	<p>3.6.1 Timelines for project commissioning:</p> <p>The solar power projects under this scheme shall be commissioned within a period of 30 (thirty) months from the date of letter of award.</p> <p>However, in order to expedite the implementation of the Scheme and to give impetus to domestic solar PV manufacturing, a shorter timeline can also be specified by MNRE.</p>

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	However, in order to expedite the implementation of the Scheme and to give impetus to domestic solar PV manufacturing, a shorter timeline can also be specified by MNRE.	

2. This issues with the approval of Hon'ble Minister (NRE & Power).



(Sanjay G. Karndhar)

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To

Pay and Accounts Officer,
Ministry of New & Renewable Energy,
New Delhi

Copy for information and necessary action to:

1. Central Government Ministries/Departments,
2. Principal Director of Audit, Scientific Audit-II, DGACR Building. I.P. Estate, Delhi-02
3. All State/UT Energy Secretaries
4. All Heads of State/UT Nodal Agencies
5. All State/UT DISCOMs
6. Chairman & Managing Director, SECI
7. Chairman & Managing Director, IREDA

Internal Distribution:

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