

Block No. 14, C.G.O. Complex,
Lodhi Road, New Delhi – 110003

Dated: 12th November, 2021

OFFICE MEMORANDUM

Subject: Norms for infrastructure development charges, O&M and other charges payable to SPPD by SPDs in Solar Parks-reg.

The undersigned is directed to refer to the guidelines for implementation of the scheme for "Development of Solar Parks and Ultra Mega Solar Power Projects" issued vide this Ministry's order no 30/26/2014-15/NSM dated 21-03-2017 & subsequent modifications and to further convey the following:

- i. It is necessary to ensure that subsidy given by the Govt of India for setting up of Solar/Renewable Energy (RE) parks is passed on to the ultimate beneficiary - the people of India - through proportionally lower charges for Solar Parks.
 - ii. It has therefore been decided that the infrastructure development charges, O&M charges for Solar/RE Parks and lease rent for land used in the Solar Park shall be fixed by a committee constituted by the State Govt under the Chairmanship of Principal Secretary/Secretary(Power/Energy/RE) of the concerned State Government and having head(CMD/MD/CEO) of the State Nodal Agency for Renewable Energy, CEO of SPPD and experts in the field of RE and power systems as members of the committee. The Committee while fixing these charges, will take into account the subsidy being provided by Government of India, as mentioned at point no. i. above.
 - iii. The norms for the fixation of lease rent, other infrastructure development charges and O&M charges for Solar/RE parks are at given Annexure.
 - iv. The DPR for all the Solar/RE Parks in all modes of Solar Park Scheme will be vetted by the above mentioned State Committee and SECI/IREDA. The Committee and SECI/IREDA will also verify whether work has been done as per the DPR. This will be applicable for all Solar parks for which DPRs have not yet been approved by this Ministry.
2. This issues with the approval of Hon'ble Minister (NRE & Power).



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To:

1. Principal Secretary/Secretary(Power/Energy/RE) of the States
2. MD, SECI
3. CMD, IREDA
4. All SPPDs
5. Head of SNAs

Norms suggested for CAPEX charges

S. No.	Item description	Benchmark that can be followed	Remarks
1	Internal Evacuation including Bays, Substation, Transformers, Transmission Lines etc.	Schedule of rates of STU/CTU	-
2	a) Roads b) Water Infrastructure, c) Buildings, d) Other Civil Works e) Fencing, f) Street lighting	as per Schedule of Rates issued by Public Works Department (PWD) of the concerned State Government	-
3	Incidental Expenses During Construction (Pre-operative Costs, IDC, Financing Costs, Project Management Costs etc)	upto 10.75% of CAPEX	(Reference: POWERGRID, APTRANSCO Norms for Estimation of Cost for Transmission elements)
4	Contingency	Upto 3% of CAPEX	Reference: POWERGRID, APTRANSCO Norms for Estimation of Cost for Transmission elements
5	Grid Connectivity, LTOA charges, ESIA charges	as per rates notified by concerned agencies/STU/CTU	-
6	Land Charges (one time or lease), Registration, Land Conversation, Land/Crop Compensation/ROW etc.	as per rates notified/Finalized by State Government or its agency	-

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Norms suggested for O&M charges

Sl. No.	Head	Benchmark that can be followed	Remarks
1	Internal Evacuation including Bays, Substation, Transformers, Transmission Lines	As per norms of SERC/CERC	CERC Tariff Regulations 2019
2	a) Roads b) Water Infrastructure, c) Buildings, d) Other Civil Works e) Fencing, f) Street lighting g) Buildings	as per Schedule of Rates issued by Public Works Department (PWD) of the concerned State Government subject to ceiling of 5 % of CAPEX	Ref for Ceiling as per Benchmarks for Hydro plants
3	Establishment, Admin, Manpower	As per Schedule of Rates issued by PWD of concerned State Government subject to ceiling of 10% of the O&M Charges as above (1 to 2)	Ref for ceiling as per details in DPR of Kurnool & Kadapa Solar Park.
4	Power Consumption Charges, Water Consumption Charges, Land Lease Rentals if any	as per rates Notified/Finalized by State Government or its agency	To be billed by SPPD at actuals

Note: Annual Escalation in O&M Charges may be allowed as per CERC/SERC Regulations

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