

F.No.367-11/3/2019-GEC  
**Government of India**  
**Ministry of New and Renewable Energy**  
**Green Energy Corridor Division**

Block-14, CGO Complex, Lodhi Road,  
New Delhi-110003; Date: May 30, 2021

**Subject: Amendment in Guidelines for disbursement of Central Grant for the development of Intra State Transmission System under Green Energy Corridor in the States of Andhra Pradesh, Himachal Pradesh, Gujarat, Karnataka, Madhya Pradesh, Maharashtra, Rajasthan and Tamil Nadu.**

Sir/Ma'am,

The undersigned is directed to refer to this Ministry's letter no. 1/7/2015-EFM dated 02.09.2017 with the above subject. The fund disbursement guidelines have been amended and the relevant paragraph is substituted as under:

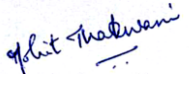
**RELEASE OF CENTRAL FINANCIAL GRANT**

<b>Original Guidelines</b>	<b>Amendment</b>
<p>b) Balance 30% will be released after successful commissioning of the project as per the DPR and performance testing of the project which would inter-alia imply operation of the project for three months. A certificate of performance testing to be given by concerned SEB or Transmission Company or independent designated agency such as PGCIL/NPTI or its Regional Office/CEA, etc. will have to be produced to this effect. Second release of 30% of grant amount will be based on following prerequisites:</p> <ul style="list-style-type: none"><li>i. Completion of Work.</li><li>ii. Utilization Certificate (UC)/Statement of Expenditure (SOE) with respect to previous releases.</li><li>iii. Report of Project Appraisal Committee.</li></ul>	<p>3.2 Balance 30% grant will be released after successful commissioning of the project and performance testing of the project which would inter-alia imply operation of the project for three months. Release of 30% of grant amount will be based on following pre-requisites:</p> <ul style="list-style-type: none"><li>i. Completion of work and 3 months performance testing by implementing agency.</li><li>ii. Recommendation report from CEA which would evaluate the grant claims based on documents mentioned in the checklist in Annexure-I of the guidelines.</li><li>iii. Recommendation of Project Appraisal Committee (PAC) constituted by MNRE.</li><li>iv. Utilization Certificate (UC) with</li></ul>

iv. Certificate of synchronization of Grid from designated agency with date of synchronization.	respect to previous releases and Audited Statement of Expenditure (ASoE) indicating the actual expenditure from the STU, as per General Financial Rules (GFR), 2017.
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2. This issues with the approval of the Secretary, MNRE.

Yours faithfully,

  
(Rohit Thakwani)  
Scientist 'C'

Encl.: Amended GEC guidelines along with Annexure

To

1. Principal Secretaries (Energy/Power) of the States of Andhra Pradesh, Himachal Pradesh, Gujarat, Karnataka, Madhya Pradesh, Maharashtra, Rajasthan & Tamil Nadu
2. Managing Directors of State Transmission Utilities of Andhra Pradesh, Himachal Pradesh, Gujarat, Karnataka, Madhya Pradesh, Maharashtra, Rajasthan & Tamil Nadu
3. Chief Engineer (PSPA-I), Central Electricity Authority
4. Director (Projects), Power Grid
5. Director, KfW India Office.

Copy for information to:-

- a. Sr. PPS to Secretary, MNRE
- b. Sr. PPS to AS (AK), MNRE
- c. PS to JS & FA / PS to Sc-G (DN), MNRE
- d. PA to Dir (IA), MNRE
- e. DS (IFD), MNRE
- f. NIC Cell, MNRE for uploading on the MNRE website.
- g. File copy

**SCHEME GUIDELINES FOR IMPLEMENTATION OF INTRA-STATE  
TRANSMISSION INFRASTRUCTURE UNDER GREEN ENERGY CORRIDOR**

**1. OBJECTIVE**

1.1 In order to facilitate integration of large scale renewable generation capacity addition as envisaged during the 12th Five Year Plan period in various renewable rich states, on the request of Ministry of New & Renewable Energy, in the year 2012 the Power Grid Corporation of India Ltd. (PGCIL) prepared "Green Energy Corridors" report. This study report suggested a comprehensive transmission plan comprising intra state and inter-State transmission system strengthening along with other control infrastructure for the likely renewable power capacity addition in eight renewable resources rich States of Andhra Pradesh, Gujarat, Himachal Pradesh, Karnataka, Maharashtra, Rajasthan, Tamil Nadu and Jammu & Kashmir. Madhya Pradesh was later included. PGCIL's assessment was later appraised by the Central Electricity Authority which has estimated that around Rs. 38,000 crore will be required for creating intra-state and inter-state transmission infrastructure and setting up Renewable Energy Management Centres (REMCs). The cost on creating intra-state transmission system is proposed to be met through KfW loan (40% of the total cost), NCEF/central grant (40% of the total cost) and the remaining 20% as State contribution.

1.2 The proposals from States are first appraised by the Central Electricity Authority and there after approved for posing for KfW loan assistance to the Department of Economic Affairs by the Joint Coordination Committee (JCC) meeting (co-chaired by Secretary, Power and Secretary, MNRE). The JCC in its meeting held on 30 April 2015 approved the proposals for creating intra-state transmission infrastructure in the States of Andhra Pradesh, Gujarat, Himachal Pradesh, Karnataka, Madhya Pradesh, Maharashtra and Rajasthan.

1.3 The Cabinet Committee of Economic Affairs (CCEA) approved creation of intra-state transmission system in the state of Andhra Pradesh, Gujarat, Himachal Pradesh, Karnataka, Madhya Pradesh, Maharashtra and Rajasthan at an estimated cost of Rs 8548.68 Cr with central financial assistance through National Clean Energy fund (NCEF) of Rs 3419.47 crore as recommended by IMG in its 12th meeting held on 30 April, 2015. For the state of Tamil Nadu, CCEA in its meeting held on 10 December 2014 approved the proposal of Tamil Nadu for providing central financial assistance of Rs. 637.2 crore. Hence, the total approved central financial assistance is Rs 4056.67 crore.

**2. PROCEDURE FOR AVAILING NCEF/CENTRAL GRANT**

2.1 The application for availing the eligible financial assistance shall be forwarded by the State immediately after award of the contract by the State designated department/agency of the respective state Government implementing intra state green energy corridor, to the Ministry of New and Renewable Energy (MNRE) and the Central Electricity Authority (CEA) to sanction and release of the eligible financial assistance. The application will accompany (i) copy of DPR as approved by CEA along with its approval letter, (ii) Copy of

NIT, (iii) Copy of award of contract, and (iv) an affidavit from head of the state nodal department which is implementing intra state Green Energy Corridor mentioning the total cost of the project estimated in DPR earlier and actual cost of the award, the said affidavit should also mention that the project is in line with DPR approved by the CEA under Green Energy Corridor project.

2.2 All applications from State Transmission Utility / State Nodal Agency should be addressed to “Director (Green Energy Corridor), Ministry of New and Renewable Energy, Block No. 14, CGO Complex, Lodhi Road, New Delhi-110003”, and to “Chief Engineer (Power System Planning and Appraisal - I), Central Electricity Authority, Sewa Bhawan, R.K. Puram, Sector-1, New Delhi - 110066.”

2.3 Chief Engineer (GEC), CEA will provide a certificate/report to MNRE that the proposal is in line with DPR submitted by State for Green Energy Corridor and actual cost of the project. A Project Appraisal Committee (PAC) will be set up by the MNRE would evaluate and recommend the proposals on intra-state transmission infrastructure set up by State Govt. undertaking / State Govt. Joint venture company for central financial assistance. Project Appraisal Committee will consist of officials from CEA, PGCIL and MNRE. Project Appraisal Committee will be formed with the approval of Joint Secretary/Scientist ‘G’ (GEC) in MNRE.

2.4 Mere submission of application or in those scenarios where additional information is sought by MNRE or CEA, the same would not tantamount to eligibility for the grant.

### **3. RELEASE OF CENTRAL FINANCIAL GRANT**

3.1 For under implementation project, 70% (Seventy percent) of the eligible grant (i.e. 40% of Project DPR Cost or Award of Contract : whichever is less – computed separately for each package) will be released to the State Government designated agency after award of tender as advance of NCEF/central grant. MNRE will release the funds on receipt of report from CEA and recommendation of PAC, subject to availability of fund.

3.2 Balance 30% grant will be released after successful commissioning of the project and performance testing of the project which would inter-alia imply operation of the project for three months. Release of 30% of grant amount will be based on following pre-requisites:

- i. Completion of work and 3 months performance testing by implementing agency.
- ii. Recommendation report from CEA which would evaluate the grant claims based on documents mentioned in the checklist in Annexure-I of the guidelines.
- iii. Recommendation of Project Appraisal Committee (PAC) constituted by MNRE.
- iv. Utilization Certificate (UC) with respect to previous releases and Audited Statement of Expenditure (ASoE) indicating the actual expenditure from the STU, as per General Financial Rules (GFR), 2017.

3.3 The subsequent releases will be considered after taking into record all the UC/SOE of previous releases and shall be suitably adjusted after considering the amount of un-spent balance on hand with the implementing agency. Unspent balance may be determined with reference to the whole of funds at disposal of the Agency and not the 40% as available through the NCEF/central grant.

3.4 As per Rule 235 of the General Financial Rules 2017, *Institutions or Organisations receiving Grants should, irrespective of the amount involved, be required to maintain subsidiary accounts of the Government grant and furnish to the Accounts Officer a set of audited statement of accounts. These audited statements of accounts should be required to be furnished after utilization of the Grants-in-aid or whenever called for.*

#### **4. MONITORING**

4.1 CEA, the technical arm of Ministry of Power, Government of India is entrusted with monitoring the project and ensures that the project should follow all the norms prescribed by central government and state government for installation and commission of Transmission Project.

4.2 All the state designated agencies will submit monthly progress report to CEA and MNRE. CEA will designate one official not below the rank of Chief Engineer to co-ordinate with MNRE and MoP in this regard. Every state/implementing agency will also designate one official of the rank of Chief Engineer and above for co-ordination of Green Energy Corridor project. Designated official will submit monthly progress report and will be nodal person for all activities concerning with GEC. A web portal dedicated to GEC monitoring will be launched.

4.3 For all sanctioned projects - the respective STU shall submit month wise performance data on quarterly basis to MNRE for a period of five years after it has commenced commercial operation.

4.4 An independent monitoring agency has to be appointed by PGCIL for entire GEC (Inter-State and Intra-State). The appointment of Monitoring Consultant is under process. Once the monitoring consultant is appointed, CEA may also co-ordinate with Monitoring Consultant.

#### **5. GENERAL TERMS AND CONDITIONS**

(i) Approval of the proposal and the grant being released to State Designated Agency is towards the creation of Intra State Green Energy Corridor. Any portion of the NCEF/central grant which is not utilized would be required to be surrendered to the Government of India and carry forward of funds to the next financial year for utilization for the project during that year may be considered with the specific approval of this Ministry.

(ii) As per the provision contained in Rule 236 of GFR 2017, the accounts of the grantee Organizations shall be open to inspection by the sanctioning authority and audit, both by Comptroller and Auditor General of India under the provision of CAG (DPC) Act 1971 and internal audit by the Principal Accounts Office of the Ministry.

(iii) The tendering may be ensured as per the extant provisions of GFR 2017.

(iv) The recipient project implementer shall provide utilization certificates in the prescribed format of the GFR 2017 (Form 12-C) and Audited Statement of Expenditure at the time of seeking next instalment as per the Terms & Condition of the sanction.

(v) The achievements made during the course of the project will be photographically covered from time to time and a copy of each such photograph will be sent to this Ministry for information and record.

(vi) The project implementer will arrange to display a Notice Board at prominent place at the project site to the effect that the project has been financially supported by Ministry of New & Renewable Energy (MNRE), Government of India.

(vii) The project implementer shall ensure that the time schedule laid down for the execution of the project is strictly followed.

(viii) The project implementer would render to this Ministry an audited statement of accounts including comments of the Auditor(s) regarding the observance of the condition governing the grant within six months following the end of each financial year.

(ix) The Comptroller and Auditor General or any other Agency/officer(s) authorized by this Ministry will have the right of access to the books and accounts of the organization for grant received from the Government.

(x) Equipment acquired with Govt. of India assistance should not be disposed of or encumbered or utilized for purpose other than for which grant has been sanctioned without prior approval of the Ministry.

(xi) MNRE reserves the right to add/alter/change these conditions and guidelines at its sole discretion in the wider interest of the scheme.

(xii) In case of detection of any violation of guidelines by the project implementer the NCEF/central grant will be recoverable with interest due.

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**Checklist for submission of grant claims by the States for 30% balance grant after commissioning of transmission schemes under GEC**

1. **Work Completion Certificate/Report:** A certificate duly signed by officer of the rank of Director (Projects) or equivalent of the State Transmission Utility/entity, stating that all the works have been completed satisfactorily.

2. **Certificate of synchronization of the commissioned elements** with the grid along with date of synchronization. The certificate of synchronization to be submitted by States needs to be duly signed by Head of concerned State Load Despatch Centre (SLDC).

3. **Performance testing of the Project:** States are required to submit a certificate duly signed by Head of concerned State Load Despatch Centre (SLDC) showing the real time power flows on each of the commissioned elements for the last 3 months. The data needs to be furnished in soft copy. The signed data may be furnished for a representative day in a week for the last 3 months (about 13 weeks). The representative day in a week could be chosen as the day on which maximum power flow occurs on the element in the format as given below:

**Element 1 (Representative week day power flow)**

Hours	Week 1	Week 2	Week 3	Up to Week 13
00.00 hrs				
01.00 hrs				
02.00 hrs				
Up to 23.00 hrs				

4. **Utilisation Certificate and Audited Statements of expenditure** –financial year wise- duly signed by Managing Director and Director (Finance) of the STU with respect to previous releases as per GFR 2017, along with refund of the interest accrued on the grant.

5. **Undertaking** duly signed by the Managing Director of the State Transmission Utility (STU) stating whether there is any deviation from the work which was awarded and for which 70% grant was given. Package wise/element wise details to be provided as per format given below:

Component Name	Description/ Details of elements	DPR Cost	Awarded Cost	Whether commissioned or not	Whether any deviation (in terms of scope, quantity etc.) from awarded Cost (if yes, give details) *	Remarks

\* Please also mention whether deviations have been approved by CEA/MNRE.

6. Additional information which may be given:

- a. State's RE installed capacity when the intra-state scheme under GEC-I was sanctioned on 30.09.2015.
- b. Total RE capacity for which the intra-state scheme under GEC-I was sanctioned.
- c. Pooling station wise details of total RE capacity planned with GEC-I scheme (New pooling station under GEC or existing S/s with or without augmentation) along with RE project commissioning status.
- d. RE installed capacity associated with the GEC-I scheme commissioned as on date when request for balance 30 % grant has been made.
- e. Plan for commissioning of the balance RE capacity associated with the GEC-I scheme along with their detailed timeline.

7. The above documents are to be submitted to Chief Engineer (PSPA-I), CEA and Joint Secretary / Scientist 'G' (Green Energy Corridor), MNRE.

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