

F. No. 32/54/2018-SPV Division
Government of India
Ministry of New and Renewable Energy

Atal Akshay Urja Bhawan
Lodi Road, New Delhi -110003

Date: 24 February 2023

Office Memorandum

Subject: Implementation of Feeder Level Solarisation under Component C of PM-KUSUM Scheme.

Ministry of New & Renewable Energy (MNRE) is implementing PM-KUSUM Scheme and under Component-C of the Scheme, Feeder Level Solarisation (FLS) was also introduced, wherein instead of solarizing individual agriculture pumps, the agriculture feeders on which such pumps are connected can be solarized by installing a solar power plant of capacity sufficient cater to the load of agricultural consumers on the feeder. The solar power plants can be installed for a single or multiple agriculture feeders based on the technical feasibility and other parameters such as substation capacity, availability of land, transmission lines, etc. Under Component-A of PM-KUSUM Scheme also the solar power plants are being installed by the farmers at identified distribution substations where DISCOMs have assessed the solar capacity that can be injected into the grid through these substations. Ministry has issued guidelines for implementation of Component-A through participation of individual farmers/Group of farmers/Solar Power Developers/ Cooperatives/Panchayats/Farmers Producer Organisations. Under FLS, there is a provision of providing Central Financing Assistance (CFA) of Rs.1.05 crore/MW, whereas there is no provision of CFA in case of plants installed under Component-A. For plants installed under Component-A, the solar power is being purchased by DISCOMs at a tariff decided by the respective SERC or tariff discovered through bidding process, as the case may be. In case of FLS of Component-C, the plant can be installed on CAPEX mode by DISCOMs or through RESCO mode where the tariff will be discovered through bidding process.

2. There could be situations where for particular distribution substations, the solar power plants can be installed either under Component -A or under FLS of Component-C of the PM-KUSUM Scheme. In such situation, the DISCOMs would prefer to install solar power plant under Component-C as there is a provision for CFA in this component. Therefore, DISCOMs are advised that while bidding for installation of solar power plants under FLS of Component C, the qualification requirements may be kept at par with the guidelines issued by Ministry for Component-A and allowing all the eligible participants under Component-A to also participate under FLS of Component-C. This will facilitate achieving the Scheme objectives of making the *Annadata as Urjadata* and increasing the income of farmers.


(Shobhit Srivastava)
Scientist-D

To

All concerned State Implementation Agencies