

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: 5th March, 2019

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)

Sir/ Madam,

1. The sanction of the President is hereby conveyed for 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 of Rs 8,580 Crores, for self-use or use by Government/ Government entities, either directly or through Distribution Companies (DISCOMS), as per provisions of the Scheme enclosed at Annexure-I.

2. Implementation of the Scheme

2.1 The 12,000 MW or more capacity of grid connected solar power projects will be set up by the Government Producers as per the terms and conditions specified in Government Producer Scheme enclosed as **Annexure-I**. The major terms and conditions are mentioned below:

2.2.1 Definition of Government Producer: For the purpose of the 'Government Producer Scheme', 'Government Producer' can be any entity which is either directly controlled by the Central or State Government or is under the administrative control of Central or State Government or a company in which Government is having more than 50% shareholding.

2.2.2 Domestic Content Requirement (DCR): The Scheme will mandate use of both solar photovoltaic (SPV) cells and modules manufactured domestically as per specifications and testing requirements fixed by MNRE. The DCR initially will be for both solar PV cells and solar PV modules. However, MNRE will undertake a review every year and based on the capacities of various stages of solar PV manufacturing in India, may increase this requirement to include wafers, ingots and polysilicon manufactured in India, or earmark some proportion for modules made from cells which are of higher efficiency standards than the applicable industry standard at that point of time.

2.2.3 Scheme Modality (major points):

2.2.3.1 Any Government Producer setting up solar PV power project will be eligible for assistance under this Scheme if it sets up a solar PV power plant for self-use or use by Government/ Government entities, either directly or through DISCOMS.

2.2.3.2 The Solar PV power project capacity under the Government Producer Scheme would be allocated to the Government Producers by way of bidding, who in turn, will secure an arrangement for usage of power for self-use or use by Government/ Government entities, either directly or through DISCOMS.

2.2.4 VGF:

2.2.4.1. 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 ₹0.70 cr./MW, 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 Solar Energy Corporation of India (SECI) will be entrusted with the task of conducting the bidding amongst 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.

2.2.4.2 Release of VGF: VGF will be released in two tranches as follows:

- (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

3. Role of Solar Energy Corporation of India (SECI)

SECI will handle the scheme on behalf of MNRE including conducting bidding on VGF basis, amongst Government Producers, for selection of Government Producers for implementing this Scheme. SECI will be given a fee of 1% of the VGF disbursed for conducting bidding, handling the funds, monitoring of the projects and managing all aspects of the Scheme. SECI will ensure that the proposed projects comply with the WTO provisions, and also the compliance by Government Producers on the mandatory requirement of DCR under the Scheme.

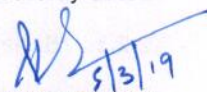
4. Project Implementation Schedule for Solar PV Projects

The total 12,000 MW capacity will be added in 4 years period i.e. from financial year 2019-20 to 2022-23.

5. Power to remove difficulties: If there is need for any amendment to the Government Producer Scheme for better implementation or any relaxation is required in the norms due to operational problems, MNRE will be competent to make such amendments with the approval of Minister-in-charge, without increasing the financial requirements and VGF limits.

6. The funds for implementation of the above Scheme would be met from Demand No. : 67 - Ministry of New & Renewable Energy, Major Head: 2810 - New and Renewable Energy, Sub Major Head: 00, Minor Head: 101 - Grid Interactive and Distributed Renewable Power, Sub-Head: 01 - Grid Interactive Renewable Power, Detailed Head: 04 - Solar power, Object Head: 35 - Grants for Creation of Capital Assets, during the year 2018-19 to 2022-23.

7. This issues in exercise of powers delegated to this Ministry and with the concurrence of IFD dated 18.02.2019 vide their Dy. No. 522 dated 18.02.2019 and approval of competent authority dated 01.03.2019.


(Ruchin Gupta)

Director

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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. Managing Director, SECI

Internal Distribution:

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Director

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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)

1. Background

1.1 As part of Paris Climate Agreement, India has committed to install forty percent of its electricity capacity from non-fossil fuels by 2030. For achieving this goal, India has set an ambitious target of setting up 1,75,000 MW of renewable energy capacity, including 1,00,000 MW of solar power, by 2022. The Union Cabinet, as per its decision dated 17th June 2015, revised the solar capacity target from 20,000 MW to 1,00,000 MW by 2022.

1.2 Thus it is imperative for new power generation capacities to come up largely based on renewable energy and most part of it being solar power. Significant progress has since been made after the target for installing solar power capacity was enhanced in 2015 from 20,000 MW to 1,00,000 MW. As on 30.11.2018, around 24,570 MW of solar capacity had been installed and around 38,130 MW of capacity was under various stages of installation/ bidding. However, the solar capacity addition depends largely upon imported solar PV cells and modules as the domestic manufacturing industry has limited capacity of around 3,000 MW for solar PV cells and around 10,000 MW for solar PV modules. In order to achieve the set target of 1,00,000 MW without any interruption, address issues of national energy security and long term environment sustainability, it is imperative that the domestic manufacturing of solar PV cells and modules is strengthened. However, this needs to be done in a manner which is compliant to the World Trade Organisation (WTO) Regulations.

1.3 In case, the domestic industry is not strengthened, a situation may arise wherein the overarching goal of the country for energy security and especially renewable energy and long term climate sustainability may become difficult to be attained. This can seriously jeopardise the energy security of the country especially in case of any disruption in supplies from foreign sources. Accordingly the support and encouragement to domestic manufacturing industry is essential and inescapable in national interest of energy security and climate sustainability.

1.4 It is important to note that electricity generation in the country has largely been a Government function through its subordinate organisations and public sector undertakings. Therefore, it is imperative to involve various Government entities for developing a robust power generation base which will not only help in achieving the objective of long term energy security for the country but will also ensure setting up of renewable energy projects, without any interruption, by leveraging their existing engineering capabilities and other resources like land, infrastructure, etc. available with them.

1.5 In view of above stated objectives, it is proposed that various Government Producers set up solar power plants using domestically manufactured solar PV cells and modules for generating solar power for self-use or use by Government/ Government entities, either directly or through DISCOMS. Such Government Producers will submit an undertaking that there will be no commercial sale/ resale of power and that, such producers will be using electricity produced either for self-use or use by Government/ Government entities. Since in such cases, the domestically manufactured solar PV cells and modules will be used for solar power generation plants to be set up and owned by the Government Producers and as such solar PV cells and modules are neither being used for commercial resale, nor is the product that emerges from them, that is, electricity produced, will be sold commercially, such a mechanism is compliant to the three requirements under Article III:8(a) of GATT, 1994, which deals with the "Government Procurement" derogation.

1.6 With this background, the Government is implementing the Central Public Sector Undertaking (CPSU) Scheme Phase-II (12,000 MW 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).



2. Scope and Objectives

2.1 The Scope of the Government Producer Scheme is to provide the necessary policy framework and mechanism for selection and implementation of 12,000 MW or more grid-connected solar PV power projects with Viability Gap Funding, by various Government Producers, such as Public Sector Undertakings (both Central and State), Government of India and State Government Organisations and Agencies (hereinafter referred to as Government Producers). Any reference to 'Government Producers' includes Organisations, Agencies, Public Sector Undertakings of both Government of India and State Governments.

2.2 The main objectives of the Government Producer Scheme are:

- a. To facilitate national energy security and environment sustainability through use of domestically manufactured solar PV cells and modules for Government purpose.
- b. Scaling up of sizes of projects thereby leading to economies of scale.
- c. To leverage the existing infrastructure of Government Producers, including land, transmission facilities etc., and their engineering capabilities.
- d. Provide long-term visibility and road map for solar power development enabling creation of India as manufacturing hub in the Solar PV.
- e. To create good business model and systems for various Central and State Government entities to take forward.

3. Proposal for setting up of 12,000 MW capacity under Government Producer Scheme

3.1 12,000 MW grid-connected solar PV power projects are proposed to be set up through Government Producers with a budgetary support of ₹8580 crores as VGF. The total project cost for 12,000 MW solar PV projects under this Government Producer Scheme is estimated as ₹48,000 crore. The required VGF support for this 12000 MW will be ₹8,580 crore. The Government Producer Scheme will create sufficient demand for domestically produced solar PV cells and modules and will ensure full utilisation of domestic capacity of cells and modules for 3 to 4 years.

3.2 The 12,000 MW or more capacity of grid connected solar power projects will be set up by the Government Producers as per the terms and conditions specified in this Government Producer Scheme. Major terms and conditions are mentioned below:-

3.2.1 Definition of Government Producer: For the purpose of the 'Government Producer Scheme', 'Government Producer' can be any entity which is either directly controlled by the Central or State Government or is under the administrative control of Central or State Government or a company in which Government is having more than 50% shareholding.

3.2.2 Domestic Content Requirement (DCR): The Scheme will mandate use of both solar photovoltaic (SPV) cells and modules manufactured domestically as per specifications and testing requirements fixed by MNRE. The DCR initially will be for both solar PV cells and solar PV modules. However, MNRE will undertake a review every year and based on the capacities of various stages of solar PV manufacturing in India, may increase this requirement to include wafers, ingots and polysilicon manufactured in India, or earmark some proportion for modules made from cells which are of higher efficiency standards than the applicable industry standard at that point of time.

3.2.3 Usage Charges: 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 ₹3.5/unit, 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.

3.2.4 Scheme Modality:

3.2.4.1 Any Government Producer setting up solar PV power project will be eligible for assistance under this Scheme if it sets up a solar PV power plant for self-use or use by Government/ Government entities, either directly or through DISCOMS.

3.2.4.2 Having secured the arrangement for usage of power for self-use or use by Government/ Government entities, either directly or through DISCOMS, the Government Producer will have to deploy both domestically produced solar PV cells and domestically produced solar PV modules in its solar PV power plant. MNRE may review and increase this requirement to include wafers, ingots and polysilicon manufactured in India, or earmark some proportion for modules made from cells which are of higher efficiency standards than the applicable industry standard at that point of time.

3.2.4.3 The Solar PV power project capacity under the Government Producer Scheme would be allocated to the Government Producers by way of bidding, who in turn, will secure an arrangement for usage of power for self-use or use by Government/ Government entities, either directly or through DISCOMS

3.2.5 VGF: 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 ₹0.70 cr./MW, 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 Solar Energy Corporation of India (SECI) will be entrusted with the task of conducting the bidding amongst 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:

- (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

3.2.6 Setting up of the aggregate capacity by the Government Producers, may be done by them either through in-house Engineering Procurement & Construction (EPC) facility or through open competitive bidding process in a transparent manner in accordance with General Financial Rules (GFR), 2017, Manual for Procurement of Goods, 2017 and CVC Guidelines on the subject.

3.2.7 The Government Producers would be free to avail other available fiscal incentives including Accelerated Depreciation, if any, as per the extant rules.

3.3 With the implementation of above mentioned Government Producer Scheme, 12,000 MW of grid connected solar PV power projects would be set up by the Government Producers. The entire capacity/electricity generated through this capacity/its equivalent, is expected to be utilized by Government Producers for self-use or use by Government/ Government entities, either directly or through DISCOMS, in WTO compliant manner.

3.4 The Scheme will help in giving a push to "Make-in-India" by encouraging Government Producers to procure solar cells and modules from domestic manufacturers.

3.5 Role of Solar Energy Corporation of India (SECI)

SECI will handle the scheme on behalf of MNRE including conducting bidding on VGF basis, amongst Government Producers, for selection of Government Producers for implementing this Scheme. SECI will be given a fee of 1% of the VGF disbursed for conducting bidding, handling the funds, monitoring of the projects and managing all aspects of the Scheme. SECI will ensure that the

proposed projects comply with the WTO provisions, and also the compliance by Government Producers on the mandatory requirement of DCR under the Scheme.

3.6 Project Implementation Schedule for Solar PV Projects

The total 12,000 MW capacity will be added in 4 years period i.e. from financial year 2019-20 to 2022-23.

3.6.1 Timelines for project commissioning:

For commissioning of solar power projects under this Scheme, time period of 18 months from the date of letter of award, shall be provided to Government producer. 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.

3.6.2 Penalty for delay in commissioning:

In case, the commissioning of the project is delayed beyond the specified Scheduled Commissioning Date (SCD), the amount of VGF sanctioned to the project shall be reduced by 0.15% (*zero point one five percent*) of the sanctioned VGF, on per day basis, for the period of such delay, and proportionate to the capacity delayed or not commissioned.

In addition to the Scheduled Commissioning Period, the maximum time period allowed for commissioning of the full Project Capacity, during which the VGF is reduced, is six months from the SCD.

In case, the Commissioning of the Project is delayed beyond six months from SCD, the project capacity under the Scheme shall be reduced to the Project Capacity Commissioned, and the balance Capacity will stand terminated from the Scheme and ineligible for any VGF under this Scheme.

The above penal provisions, and the time periods specified, are subject to any extension allowed in SCD.

3.6.3 Time-extension/ Dispute Resolution:

All requests regarding time-extension or dispute resolution, on force majeure events, shall be dealt by SECI in terms of the provisions in contractual agreement and the instructions issued by MNRE from time to time, including any Dispute Resolution Mechanism instituted by MNRE.

3.7 Total Capacity and Portfolio of Solar PV Power Projects:

3.7.1 The total aggregated capacity of the grid connected solar power projects to be set up by Government Producers, on Build-Own-Operate (BOO) basis under the Government Producer Scheme shall be at least 12,000 MW.

3.7.2 The total capacity under government Scheme may go higher than 12,000 MW, if there is saving in VGF amount, so that maximum capacity can be set up within the total sanctioned budget.

4. Power to remove difficulties

If there is need for any amendment to the Government Producer Scheme for better implementation or any relaxation is required in the norms due to operational problems, MNRE will be competent to make such amendments with the approval of Minister-in-charge, without increasing the financial requirements and VGF limits.



No. 283/20/2019-GRID SOLAR-Part(2)

भारत सरकार / Government of India

नवीन और नवीकरणीय ऊर्जा मंत्रालय/ Ministry of New & Renewable Energy (MNRE)

ग्रिड सौर ऊर्जा प्रभाग / Grid Solar Power Division

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

Date: 13th April, 2020

OFFICE MEMORANDUM

Sub: 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.

The undersigned is directed to refer to this Ministry's Order No. 302/4/2017-GRID SOLAR dated 5th March, 2019, and hereby convey that the said Order for Scheme Guidelines for Central Public Sector Undertaking (CPSU) Scheme Phase-II (Government Producer Scheme) stands amended as follows:

Existing Clause	Amended Clause
<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 ₹3.5/unit, 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 ₹2.80/unit, 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>3.2.5 VGF:</p> <p>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 ₹0.70 cr./MW, 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 Solar Energy Corporation of India (SECI) will be</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 ₹0.70 cr./MW, 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</p>

Existing Clause	Amended Clause
<p>entrusted with the task of conducting the bidding amongst 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> <ol 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>Limited (IREDA) will be entrusted with the task of conducting the bidding amongst 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> <ol 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>3.5 Role of Solar Energy Corporation of India (SECI):</p> <p>SECI will handle the scheme on behalf of MNRE including conducting bidding on VGF basis, amongst Government Producers, for selection of Government Producers for implementing this Scheme. SECI will be given a fee of 1% of the VGF disbursed for conducting bidding, handling the funds, monitoring of the projects and managing all aspects of the Scheme. SECI will ensure that the proposed projects comply with the WTO provisions, and also the compliance by Government Producers on the mandatory requirement of DCR under the Scheme.</p>	<p>3.5 Role of Indian Renewable Energy Development Agency Limited (IREDA):</p> <p>IREDA will handle the scheme on behalf of MNRE including conducting bidding on VGF basis, amongst Government Producers, for selection of Government Producers for implementing this Scheme. IREDA will be given a fee of 1% of the VGF disbursed for conducting bidding, handling the funds, monitoring of the projects and managing all aspects of the Scheme. IREDA will ensure that the proposed projects comply with the WTO provisions, and also the compliance by Government Producers on the mandatory requirement of DCR under the Scheme.</p>

Existing Clause	Amended Clause
<p>3.6.1 Timelines for project commissioning:</p> <p>For commissioning of solar power projects under this Scheme, time period of 18 months from the date of letter of award, shall be provided to Government producer. 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>	<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> <p>(i). For projects upto 500 MW capacity: Projects to be commissioned within 24 (twenty four) months from the date of letter of award.</p> <p>(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> <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>
<p>3.6.3 Time-extension/ Dispute Resolution:</p> <p>All requests regarding time-extension or dispute resolution, on force majeure events, shall be dealt by SECI in terms of the provisions in contractual agreement and the instructions issued by MNRE from time to time, including any Dispute Resolution Mechanism instituted by MNRE.</p>	<p>3.6.3 Time-extension/ Dispute Resolution:</p> <p>All requests regarding time-extension or dispute resolution, on force majeure events, shall be dealt by IREDA in terms of the provisions in contractual agreement and the instructions issued by MNRE from time to time, including any Dispute Resolution Mechanism instituted by MNRE.</p>
<p>Nil</p>	<p><u>New Clause</u></p> <p>5. Notwithstanding anything contained in these Guidelines, Indian Renewable Energy Development Agency Limited (IREDA) shall be permitted to allot/ sanction solar PV power project capacities under CPSU Scheme Phase-II (Government Producer Scheme) of upto 50 MW, to any willing Government entity at the L1 rate (VGF amount bid by L1 bidder) discovered in the most recent last bidding, within four months of such last bidding, without the need for such entity to participate in bids, subject to the said Government entity meeting all other qualification requirements as otherwise prescribed by MNRE/ Scheme Guidelines</p>



Existing Clause	Amended Clause
	and the said Government entity giving consent to abide by all other rules and procedures, as otherwise applicable to projects allotted through bidding under Central Public Sector Undertaking (CPSU) Scheme Phase-II (Government Producer Scheme). The limit of 50 MW is with respect to project capacities being allotted to one government entity for the duration between the two bids under CPSU Scheme by IREDA. There shall be no limit on project capacities that can be allotted through this route, subject to any single Government Entity not being allotted more than 50 MW capacity in the period between two consecutive bids by IREDA under CPSU Scheme Phase-II (Government Producer Scheme).

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



(Sanjay G. Karndhar)
Scientist-D

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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/ Power/ Renewable Energy Secretaries
4. All Heads of State/UT Nodal Agencies for Renewable Energy (SNAs)
5. All State/UT DISCOMs
6. Chairman & Managing Director, SECI
7. Chairman & Managing Director, IREDA

Internal Distribution:

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2. Sr. PPS to Secretary, MNRE

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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>

Clause No.	Existing Provision	Modified Provision
	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)

Scientist-D

Email: karndhar.sg@nic.in

Tel: 011-24363498

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:

1. PS to Hon'ble Minister of State (I/C) for New & Renewable Energy, Power and MoS for Skill Development and Entrepreneurship
2. Sr. PPS to Secretary, MNRE
3. All Advisers and Group Heads/JS (AKS) / JS (BPY) / JS (DDJ)/ JS&FA/ Eco. Adviser
4. All Scientist-F/ Scientist-E/ Directors
5. All Scientist-D / Dy. Secretaries
6. All Scientist-C/ Under Secretaries
7. All Scientist-B
8. NIC, MNRE for uploading on Ministry's website
9. CA, MNRE / Cash Section
10. Hindi Section for Hindi version
11. Sanction Folder



(Sanjay G. Karndhar)

Scientist-D

Email: karndhar.sg@nic.in

Tel: 011-24363498

F. No. 283/20/2019-GRID SOLAR-Part(2)

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,
Lodhi Road, New Delhi – 110003

Dated: 02nd June, 2021


OFFICE MEMORANDUM

Sub: Solar PV Power Projects under Tranche-I and Tranche-II of CPSU Scheme Phase II (Government Producer Scheme), implemented by SECI – reg.

1. Reference is invited to the requests received from SECI vide its letter nos. SECI/Solar/CPSU PII/T1 & T2/ Extension/40369 dated 11.12.2020 and dated 26.03.2021 and email dated 16.04.2021, regarding extending the timelines for project execution under Tranche I and II of CPSU Scheme Phase-II.
2. Representations have been received for extending the timelines for projects in Tranche-III of CPSU Scheme Phase-II, primarily on account of temporary shortage of equipment for solar PV power projects, particularly domestically manufactured solar PV cells. The interactions of the Ministry with industry stakeholders have also indicated that the addition of new domestic manufacturing capacity of solar cells has been delayed due to COVID-19 related travel restrictions.
3. Against the above background, with the approval of Hon'ble Minister (NRE & Power), MNRE modified the Scheme Guidelines for CPSU Scheme Phase-II to increase the project timelines. The commissioning period has been enhanced from present 24 (twenty four) months to 30 (thirty) months from the date of letter of award (LoA). Further, the timeline for the intermediate milestone of "Award of EPC Contract", which was 6 (six) months from LoA, in Tranche-I & Tranche-II, has also been increased to 12 (twelve) months from the date of LoA.
4. In order to address certain issues pertaining to projects sanctioned under Tranche-I & Tranche-II of CPSU Scheme Phase -II, the amended timelines shall also be applicable to Tranche-I & Tranche-II projects.
5. In accordance with these new timelines, for projects under Tranche I & II:
 - a) Government Producers who had awarded the EPC contract within 6 (six) months from the date of issuance of LoA by SECI, shall increase the time period for project execution by EPC contractor such that the total project timeline is 30 (thirty) months from the date of LoA by SECI.



- b) Projects where the award of EPC contract happened beyond 6 (six) months but within 12 (twelve) months of LoA by SECI, such delay is regularised and the Government Producers shall keep the time period for project execution by EPC contractor such that the total project timeline is 30 (thirty) months from the date of LoA by SECI.
- c) In cases where the EPC contract has not been awarded even within 12 (twelve) months of issuance of LoA, SECI may carefully assess the readiness of the project for commissioning within 30 (thirty) months of LoA, and based on that decide on giving more time for award of EPC contract, subject to the payment of applicable penalties by such Government Producers. The overall project completion timeline in such cases will stay at 30 (thirty) months. All other projects are to be cancelled and such organisations can apply afresh or participate in future CPSU Scheme tenders.
- d) The above timelines are excluding the extension(s) given on account of COVID-19, including the 5 (five) months blanket extension already given by MNRE.
6. A compliance report on Para-5 above shall be submitted by SECI within a fortnight of this O.M.
7. This issues with the approval of Hon'ble Minister (NRE & Power).


02/06/20
(Mohd Azmal Mansoori)
Scientist-B
Email: azmal.mnre@gov.in

To:

The Chairman & Managing Director, Solar Energy Corporation of India (SECI), Plate-B, 6th Floor, Tower 2, NBCC Office Block, East Kidwai Nagar, New Delhi-110023

Copy to:

1. All concerned
2. NIC, MNRE, for uploading on MNRE website for dissemination of information.

Copy for internal circulation to:

PS to Hon'ble Minister (NRE & Power)/ Sr. PPS to Secretary / Sr. PPS to JS (AKS) / Dir (RG)/ Sci-D (SK)

F. No. 283/18/2020-GRID SOLAR/Pt

भारत सरकार / Government of India

नवीन और नवीकरणीय ऊर्जा मंत्रालय/ Ministry of New & Renewable Energy (MNRE)

ग्रिड सौर ऊर्जा प्रभाग / Grid Solar Power Division

Atal Akshay Urja Bhawan,
Lodhi Road, New Delhi – 110003

Date: 27th December, 2022

To

**The Managing Director,
Solar Energy Corporation of India (SECI),
6th Floor, Plate-B,
NBCC Office Block Tower-2,
East Kidwai Nagar,
New Delhi-110023**

Sub: Time-extension to Solar PV Power Projects under Tranche-I and Tranche-II of CPSU Scheme Phase II (Government Producer Scheme), implemented by SECI– reg.

Madam,

Representations have been received for extending the timelines for projects in Tranche-I & Tranche-II of CPSU Scheme Phase-II, primarily on account of supply chain disruption in solar PV sector.

2. This issue has been examined in the Ministry and it has been decided that SECI may extend the Scheduled Commissioning Date till 30.09.2024 (and commensurately extend other associated intermediate milestones) of such solar PV power projects under Tranche-I and Tranche-II of CPSU Scheme Phase II, whose Scheduled Commissioning Date (including time-extensions already granted, if any) is before 30.09.2024, and who wish to avail such time-extension.

3. This issues in-line with the approval of Hon'ble Minister (Power and New & Renewable Energy).

Yours faithfully,


(Mohd Azmal Mansoori)
Scientist-B
Email: azmal.mnre@gov.in

Copy to:

NIC, MNRE for uploading on MNRE's website

Copy for Internal Circulation:

PS to Hon'ble Minister (Power & NRE)/ PS to Hon'ble MoS (NRE)/ PSO to Secretary/ Sr. PPS to JS (LB)/ PPS to JS&FA/ Sci-D (SK)

F. No. 283/18/2020-GRID SOLAR/Pt

भारत सरकार / Government of India

नवीन और नवीकरणीय ऊर्जा मंत्रालय/ Ministry of New & Renewable Energy (MNRE)

ग्रिड सौर ऊर्जा प्रभाग / Grid Solar Power Division

Atal Akshay Urja Bhawan,
Lodhi Road, New Delhi – 110003

Date: 27th December, 2022

To

**The Chairman & Managing Director,
Indian Renewable Energy Development Agency Limited (IREDA),
3rd Floor, August Kranti Bhawan, Bhikaji Cama Place,
New Delhi – 11 00 66**

Sub: Time-extension to Solar PV Power Projects under Tranche-III of CPSU Scheme Phase II (Government Producer Scheme), implemented by IREDA– reg.

Sir,

Representations have been received for extending the timelines for projects in Tranche-III of CPSU Scheme Phase-II, primarily on account of supply chain disruption in solar PV sector.

2. This issue has been examined in the Ministry and it has been decided that IREDA may extend the Scheduled Commissioning Date till 30.09.2024 (and commensurately extend other associated intermediate milestones) of such solar PV power projects under Tranche-III of CPSU Scheme Phase II, whose Scheduled Commissioning Date (including time-extensions already granted, if any) is before 30.09.2024, and who wish to avail such time-extension.

3. This issues in-line with the approval of Hon'ble Minister (Power and New & Renewable Energy).

Yours faithfully,



(Mohd Azmal Mansoori)

Scientist-B

Email: azmal.mnre@gov.in

Copy to:

NIC, MNRE for uploading on MNRE's website

Copy for Internal Circulation:

PS to Hon'ble Minister (Power & NRE)/ PS to Hon'ble MoS (NRE)/ PSO to Secretary/ Sr. PPS to JS (LB)/ PPS to JS&FA/ Sci-D (SK)