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

Block no. 14, CGO Complex, Lodi Road, New Delhi -110003

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Office Memorandum

Subject: Simplification of Guidelines for the implementation of PM-KUSUM.

The guidelines of PM-KUSUM have a provision for centralised tendering by an agency of the Government of India for price discovery and empanelment of vendors for installation of standalone solar pumps under Component-B of the Scheme. The objective is to take advantage of lower prices resulting from aggregation of demand and economies of scale. However, it has been observed that the said process result in sufficient vendors not being available in some States causing difficulty in completing the sanctioned capacities within the given time limit. After careful consideration, Government have decided that States may, in addition, invite their own bids for empanelment of vendors for different regions in the State for installation of standalone solar pumps. However, the ceiling price for the bids in the State tender would be the price discovered in the latest centralised tender.

- During implementation of the Scheme it has also been observed that the present 2. timelines prescribed for completion of sanctioned capacities is often not sufficient and States are seeking extension for completion of targets. In order to give sufficient time to States for implementation it has been decided to increase the implementation period to 24 months from the date of issue of sanction for all three components of PM-KUSUM. Extension beyond 24 months will be considered as per provisions of the Scheme guidelines.
- For feeder level solarisation the Scheme guidelines have a provision for incentivising farmers who consume less electricity than the benchmark consumption, by paying them per unit for the consumption less than the benchmark. This provision encourages conservation of groundwater as well as electricity. Some of the States have indicated that for a feeder being solarised not all farmers may be willing to install meters necessary for availing those incentives. Government have reviewed this provision and have decided that availing the said incentives under the scheme will be optional for the farmers. The DISCOM will inform the farmers about the benchmark consumption and amount of incentive per unit which they can avail of in case of lower consumption. However, it will be the farmers choice to opt or not for this facility. MNRE will prepare and circulate the formats for informing the farmers and obtaining their option to avail this facility.

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