

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,
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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
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.	3.2.3 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 ₹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.
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	3.2.5 VGF: 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

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"> 50% on Award of contract to the EPC contractor (including in-house EPC Division); and 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"> 50% on Award of contract to the EPC contractor (including in-house EPC Division); and 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>

