

Presentation Before
Hon'ble Chief Minister
On
Draft Solar Power Policy 2021



22.12.2020

Draft Gujarat Solar Power Policy – 2021

- **Operative Period:** upto 31.12.2025.
- **Eligible Period:** Benefits of the policy can be availed for 25 years
- **Project types:**
 1. Projects for **Residential Consumers**
 2. Projects for **Industrial & Commercial Consumers – Captive use**
 3. Projects for **Industrial & Commercial Consumers – Third Party Sale**
 4. Projects for **Sale to DISCOMs**
 - Through Competitive Bidding
 - Upto 4 MW – purchase at pre-fixed tariff
- **Any one can set up solar project in the State without any capacity ceiling on land or premises owned or possessed by them.**

Comparison – Existing Vs Proposed Solar Policy

SN	Particulars	Existing provisions	Proposed changes
1	Capacity Ceiling	Capacity Ceiling of 50% of Sanctioned Load / Contracted Demand.	No capacity ceiling.
2	Third Party Sale within same premises	-	Consumer can lease their roofs or premises to any developer for setting up solar project for his consumption
3	Collective Ownership Projects	-	More than one consumer can collectively invest and set up projects for their self-consumption in ratio of their ownership.

Comparison – Existing Vs Proposed Solar Policy

SN	Particulars	Existing provisions	Proposed changes
4	Purchase of Solar Power by DISCOMs	DISCOMs to purchase solar power through competitive bidding process	<ul style="list-style-type: none"> • Procurement of solar power through competitive bidding by DISCOMs • Any person can set up projects up to 4 MW and supply entire power to DISCOM at Tariff discovered in competitive bidding in last six months plus addition of 20 paisa / unit.

Solar Projects by Residential Consumers

- Residential Consumers can install solar projects on their Rooftop or same premises without any capacity ceiling.
- Residential Consumer can **lease their roofs or premises to any developer** for setting up solar project for his consumption
- Purchase of Surplus Energy by DISCOMs
 - (1) In case of SURYA Scheme - at Rs 2.25 / unit
 - (2) In case of Third Party Sale - at 75% of tariff discovered under competitive bidding in last 6 months which will remain fixed for the term of project.
- Savings to Residential Consumers – Rs 1.49 – 3.78 / unit

Solar Projects for Industrial & Commercial Consumer

➤ Captive Projects

- Industrial, Commercial and Institutional consumers can install solar projects for **captive use without capacity ceiling**.
- Collective ownership projects are allowed. **More than one consumer can collectively invest** and set up projects for their self-consumption in ratio of their ownership.
- Savings to consumer – Rs 2.92 – 3.35 / unit.

➤ Projects for Third Party Sale

- Solar projects for **merchant sale** to Industrial, Commercial and Institutional consumers allowed **without capacity ceiling**.
- Consumer can **lease their roofs or premises** to any developer for setting up solar project for his consumption
- Savings to consumer – Rs 0.91 – 1.34 / unit.

➤ Purchase of Surplus Power from Consumers

- MSMEs – Rs 2.25 / unit (effective date for revised surplus rate to be decided)
- Other consumers – at 75% of tariff discovered under competitive bidding in last 6 months which will remain fixed for the term of project.

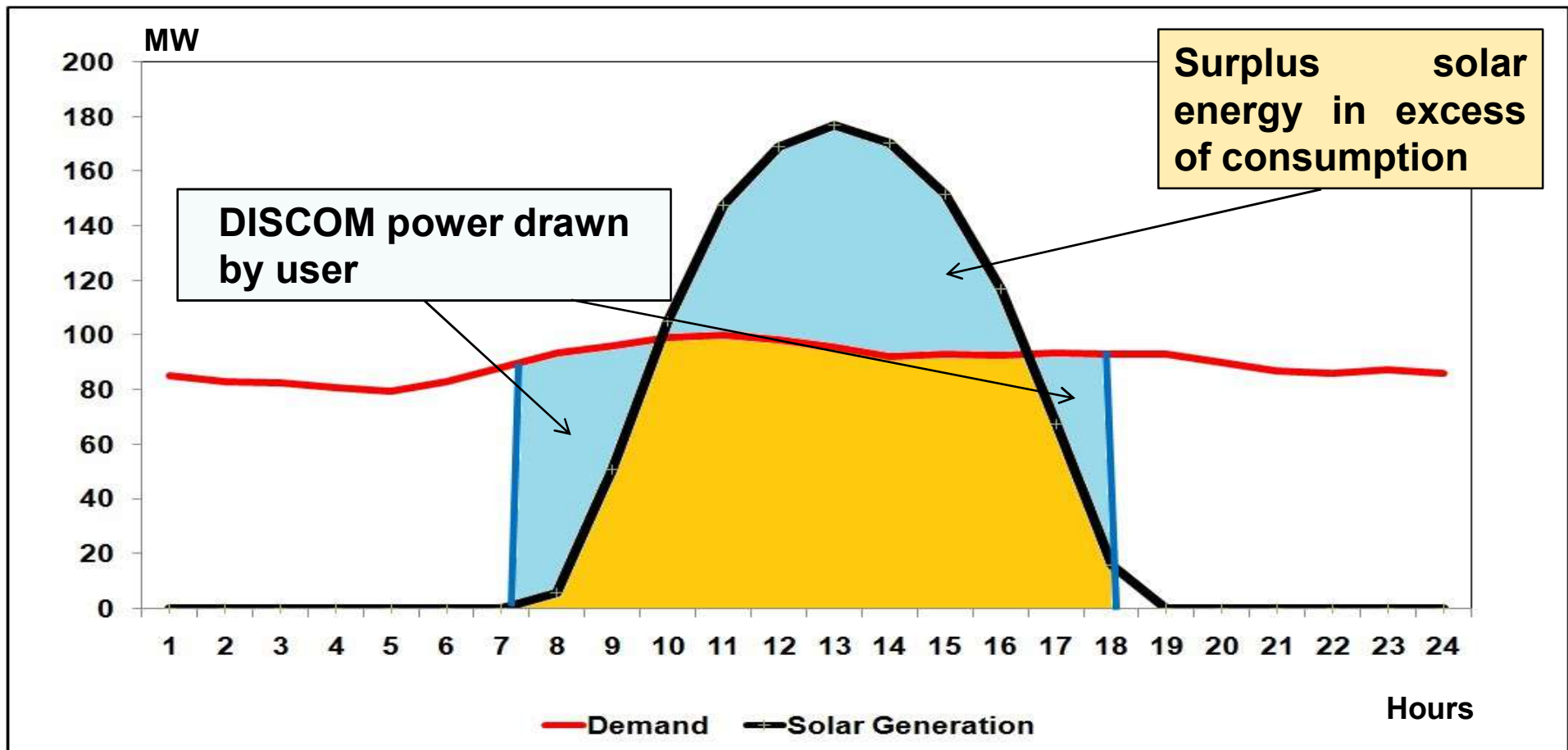
Applicable Charges

SN	Particulars	Transmission Charges & Losses	Wheeling Charges & Losses	Cross & Surcharge & Additional Surcharge	Subsidy &
1	Projects in same premises				
1.1	<u>Residential & Govt Buildings</u>				
	Self Consumption	Not applicable	Not applicable	Not Applicable	
	Third Party Sale	Not applicable	Not applicable	Applicable	
1.2	<u>Industrial & Commercial</u>				
	Captive	Not applicable	Not applicable	Not Applicable	
	Third Party	Not applicable	Not applicable	Applicable	
2	Projects in different premises				
	Captive	Applicable	Applicable	Not Applicable	
	Third Party	Applicable	Applicable	Applicable	

Energy Accounting & Banking

SN	Particulars	Energy Accounting & Banking
1	Projects in same premises	
1.1	Residential & Govt Buildings	<ul style="list-style-type: none"> • Billing Cycle basis.
1.2	Captive & Third Party	<ul style="list-style-type: none"> • HT Consumers - From 7 Hrs to 18 Hrs on daily basis. • Demand Based LT Consumers - From 7 Hrs to 18 Hrs on billing cycle basis • Other consumers – Billing Cycle basis.
2	Projects in different premises	
2.1	Captive & Third Party	<ul style="list-style-type: none"> • HT Consumers - From 7 Hrs to 18 Hrs on daily basis. • Demand Based LT Consumers - From 7 Hrs to 18 Hrs on billing cycle basis • Other consumers – Billing Cycle basis.

Banking Facility



DISCOM is required to supply consumers when solar generation is less / unavailable. Power supplied by DISCOMs during morning/evening peak hours would be costlier.

Banking charges needs to levied

Banking Charges

SN	Particulars	Banking Charges
1	Projects in same premises	
1.1	Residential & Govt Buildings	<ul style="list-style-type: none"> Banking Charges not applicable
1.2	Captive & Third Party	<ul style="list-style-type: none"> Rs 1.50 / unit for Demand Based Consumers 10% of solar energy consumed in kind for other consumers. No banking charges for MSMEs
2	Projects in different premises	
2.1	Captive & Third Party	<ul style="list-style-type: none"> Rs 1.50 / unit for Demand Based Consumers 10% of solar energy consumed in kind for other consumers. No banking charges for MSMEs

Financial Implication on other consumers

A. Average Cost-to- Serve (Rs/Unit)	6.02
B. Recovery from Agriculture consumer (Rs/Unit)	0.65
C. Subsidy from Government (Rs/ Unit)	3.20
D. Realization from Agriculture category including subsidy (Rs. Unit) (B+C)	3.85
E. Cross subsidization from Commercial / Industrial consumers (A – D)	2.17

- In case 1000 MW solar capacity is set up by Commercial / Industrial consumers, DISCOMs will loose cross subsidy revenue of Rs. 380 Crores. (1752 Mus @20% CUF x 2.17)

Thank You