

Comments/Suggestions are invited till 06-09-2018 on draft guidelines for setting up Solar Park in State in Private Sector by Private Companies

Comments/Suggestions may be sent through email at ho_nmk@rediffmail.com or compneda@rediffmail.com or may be sent by post at below address :-

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This is a draft of the proposed guidelines for setting up private Solar Park in Uttar Pradesh therefore information provided or provisions /incentives proposed are not final. Final guidelines will be issued after the approval of competent authority.

Guidelines for Development of Solar Park in Private Sector

1. Private Sector Solar Park Guidelines:

Government of U.P has notified State Solar Power Policy 2017. As per Clause 8.1.1 of the Solar Policy, Solar park will be developed and set up to encourage private participation in the State.

In Clause 8.1.1b of Solar Energy Policy it has been mentioned that development of Solar Parks by private companies in private sector will be promoted in the State and Government of U.P.will provide the following incentives for development of Solar Parks in private sector.

- i) Support for strengthening of Grid network.
- ii) Uttar Pradesh Power Corporation / Electricity Distribution Company to offer purchase of 100% power generated from solar park.
- iii) Full sale to third party allowed.

2. Guideline Frame Work:

These Guidelines / procedure for setting up of solar park in private sector shall be within the ambit of Solar energy policy-2017 notified by the Government of U.P and wherever any interpretation of any provision is required, The Solar Energy Policy -2017 shall have precedence over these Guidelines.

3. Private Solar Park Development Procedure:

Solar Parks will be developed by private investment in the following modes:

A. Development of solar Park under Solar Park scheme of Ministry of New and Renewable Energy (MNRE), Government of India with Central Financial Assistance

A1. Sale of 100% power to UPPCL from Solar Power Park.

- i) Solar Park will be set up under this development mode by the private entrepreneurs , with or without equity participation by any agency of the State government.
- ii) In this development mode, private entrepreneur will be the Solar Power Park Developer (SPPD).
- iii) Entire land required for development of solar park will be provided by the Solar Power Park Developer (SPPD).
- iv) The minimum capacity of solar park will be 50 MW and maximum capacity will be 200 MW.

v) As per the guidelines for development of Solar Park issued by Ministry of New and Renewable Energy (MNRE), Government of India under solar Park Scheme , Solar Power Park Developer (SPPD) will be selected through open bidding. Bid for selection of Solar Power Park Developer will be invited by Uttar Pradesh New and Renewable Energy Development Agency (UPNEDA) designated nodal agency for implementation of Solar Energy Policy 2017 .

Bidding for selection of Solar Power Park developer would be based on his quoted price for development of land selected by bidder per MW and annual operation and maintenance charges per MW. That is, bidders would have to quote the price of developed solar park land and the O&M charges per MW ,they would charge from the Solar Power Developers (SPDs). The Park developer who quotes the lowest NPV of the developed land price plus O&M charges per MW will be selected and allowed to develop the solar park on land which is procured/leased by him.

(vi) The Solar Power Park developer will be responsible for the execution / arrangement/construction of following works: -

1. Acquire/leasehold land for development of solar park. Levelling, development of land parcels and allocation of plots for individual projects .
2. Approach road upto the solar park and inter connecting access road to various plots within the solar park.
3. Transmission facility consisting of pooling stations for connection of individual solar projects with pooling station through a network of cables or overhead lines and construction of external transmission system and metering for evacuation of power .
4. Electrical Connectivity for Solar Park.
5. Water availability for construction as well as for running of power plants and Flood mitigation measures like flood discharge and internal drainage etc.
6. Provide Telecommunication facility in Solar Park.
7. Warehouse, parking etc. in Solar Park.

(vii) Central financial assistance of Rs12.00 lakh per MW or 30 percent of the project cost whichever is less will be available to selected Solar power park developer under Solar Power Park scheme from the Ministry of New and Renewable Energy, Government of India.

(viii) Central Financial Assistance (CFA) from Ministry will be available to the Solar Power Park Developer after issue of Letter of Award of the Solar Power Projects to come in the solar park and as per the Milestone mentioned in the Solar Park Scheme of MNRE.

- ix) STU will be responsible for construction of external transmission system for evacuation of power like construction of a substation nearby the solar Park to take power from one or more pooling stations, after following necessary technical and commercial procedures as stipulated in the various regulations notified by the Uttar Pradesh Electricity Regulatory Commission.
- (x) Ministry of New and Renewable Energy (MNRE) Government of India under solar park scheme will provide Centrally financial assistance of Rs. 8.00 lakh per MW or 30 per cent of the project cost, whichever is lower directly to STU towards development and strengthening of external transmission system. According to the provision in "Grant of connectivity to intra-state transmission systems Regulation 2010" issued by the Uttar Pradesh Electricity Regulatory Commission amended from time to time, expenditure on construction and strengthening of external transmission system apart from the grant released by MNRE will be borne by STU. STU will reimburse the made expenditure from its Annual Revenue Requirement.
- (xi) UPNEDA will carry out bidding for setting up of solar projects inside the Solar Park.
- (xii) UPPCL will purchase 100% of the power generated from Solar Power Projects installed inside Solar Power Park.
- (xiii) Solar Power Parks will be given preference in getting connectivity.
- (xiv) The Solar Power Park developer will have 18 months' time for completion and setting up of solar Park. In the event of the non-completion of the work within the time, approval for developing the Solar Power Park may be cancelled and the grid connectivity allotted may be given to other. Extension may be given only in case of Force Majeure condition.

A2. Sale of 100% power under open access to third party from Solar Power Park:

- i) Solar Park will be set up under this development mode by the private entrepreneurs, with or without equity participation by any agency of the State Government.
- ii) In this development mode, private entrepreneur will be the Solar Power Park Developer (SPPD).
- iii) Under this development mode entire land required for development of solar park will be provided by the Solar Power Park Developer (SPPD).
- iv) Minimum capacity of developed solar park will be 50 MW

- v) As per the guidelines for development of Solar Park issued by Ministry of New and Renewable Energy (MNRE), Government of India under solar Park Scheme , Solar Power Park Developer (SPPD) will be selected through open bidding. Bid for selection of Solar Power Park Developer will be invited by Uttar Pradesh New and Renewable Energy Development Agency (UPNEDA) designated nodal agency for implementation of Solar Energy Policy 2017 .

Bidding for selection of Solar Power Park developer would be based on his quoted price for development of land selected by bidder per MW and annual operation and maintenance charges per MW. That is, bidders would have to quote the price of developed solar park land and the O&M charges per MW ,they would charge from the Solar Power Developers (SPDs). The Park developer who quotes the lowest NPV of the developed land price plus O&M charges per MW will be selected and allowed to develop the solar park on land which is procured/leased by him.

(vi)The Solar Power Park developer will be responsible for the execution / arrangement/construction of following works: -

- 1 Acquire/leasehold land for development of solar park. Levelling, development of land parcels and allocation of plots for individual projects .
- 2.Approach road upto the solar park and inter connecting access road to various plots within the solar park.
- 3.Transmission facility consisting of pooling stations for connection of individual solar projects with pooling station through a network of cables or overhead lines and construction of external transmission system and metering for evacuation of power .
- 4 Electrical Connectivity for Solar Park.
- 5 Water availability for construction as well as for running of power plants and Flood mitigation measures like flood discharge and internal drainage etc.
- 6 Provide Telecommunication facility in Solar Park.
- 7 Warehouse, parking etc. in Solar Park.

(vii) Central financial assistance of Rs12.00 lakh per MW or 30 percent of the project cost whichever is less will be available to selected Solar power park developer under Solar Power Park scheme from the Ministry of New and Renewable Energy, Government of India.

- (viii) Central Financial Assistance (CFA) from Ministry will be available to the Solar Power Park Developer after issue of Letter of Award of the Solar Power Projects to come in the solar park and as per the Milestone mentioned in the Solar Park Scheme of MNRE.
- x) STU or CTU will be responsible for construction of external transmission system for evacuation of power like construction of a substation nearby the solar Park to take power from one or more pooling stations, after following necessary technical and commercial procedures as stipulated in the various regulations notified by the concerned Electricity Regulatory Commission.
- . (x) Ministry of New and Renewable Energy (MNRE) Government of India under solar park scheme will provide Centrally financial assistance of Rs. 8.00 lakh per MW or 30 per cent of the project cost, whichever is lower directly to STU/CTU towards development and strengthening of external transmission system. According to the provision in "Grant of connectivity to intra-state transmission systems Regulation 2010" issued by the Uttar Pradesh Electricity Regulatory Commission amended from time to time, expenditure on construction and strengthening of external transmission system apart from the grant released by MNRE will be borne by Solar Power Park Developer .
- (xi) Solar Power Park developer will be free to set up Solar Power Projects inside the Solar Park and sell generated Power from these projects to Third party .
- (xii) Priority will be given after category A1 in obtaining connectivity of solar power park.
- (xii) The Solar Power Park developer will have 18 months' time for completion and setting up of solar Park . In the event of the non-completion of the work within the time, approval for developing the Solar Power Park may be cancelled and the grid connectivity allotted may be given to other . Extension may be given only in case of Force Majeure condition .

B. Development of Solar Parks by private entrepreneurs without Central Financial Assistance from Ministry Of New and Renewable Energy ,Government of India:

- (i) Under this mode, Private entrepreneur may develop Solar Park without Central Financial Assistance from MNRE but may obtain status of Solar Power Park Developer under Solar Park Scheme of MNRE Government of India .

- (ii) Under this mode, Companies incorporated under Companies Act, on standalone basis or as a part of bidding consortium may apply to UPNEDA for development of Solar Power Park.
- (iii) Solar Park will be set up by Solar Power Park developer on self purchased/leased land.
- (iv) Solar Park of minimum capacity 100 MW will be set up .
- (v) Private entrepreneurs/company applying for developing Solar Park should have a minimum turnover of Rs 5.0 Cr per megawatt applied for, as per the last audited Balance sheet.
- (vi) In case SPPD wishes for permission for Long Term Open Access and connectivity from CTU then Solar Park being developed has to get Solar Park Status under Solar Park Scheme from Ministry of New and Renewable Energy, Government of India.
- (vii) For obtaining Status of Solar Park from MNRE, SPPD has to submit proposal for development of Solar Park along with Detailed Project Report (DPR) and documents in support of either through purchase or lease 100 % land in possession. After examination of DPR and land documents, an "in principle" approval will be given by Ministry of New & Renewable Energy, (MNRE) Government Of India.
- (viii) Status of Solar Power Park Developer (SPPD) for applying for connectivity and Long Term Access etc with CTU will be issued by Ministry after financial closure, award of works for road, water and internal transmission infrastructure by the Solar Power park developer .
- (ix) Solar Park can be set up of minimum capacity 100 MW .However smaller solar parks of capacity of 50 MW may be developed in case of non availability of contiguous land parcel .
- (x) Solar Power Park developer will have liberty in selection of individual investors and to make any other commercial decisions regarding development of Solar Park.
- (xi) Solar Power Park developer shall have full management control of the Solar Park and will be responsible for all managerial decisions and day to day operation of the Solar Park .
- (xii) Solar Power Park developer will be responsible for construction of internal and external transmission system for evacuation of power, pooling substation, metering and common facilities like internal roads, drainage system, water availability and approach road etc.
- (xiii) Solar power park developer will be completely responsible for obtaining connectivity of Solar Park from STU .
- (xiv) Developers/Private entrepreneurs interested in developing Solar Park under this mode have to submit Registration fees of Rs 5000.00 per MW + 18 percent GST along with application on prescribed format in designated nodal Agency for

implementation of Solar Energy Policy -2017. Uttar Pradesh New and Renewable Energy Development Agency (UPNEDA).

- xvii) In addition to the registration fee along with the application on the prescribed format, required documents are also to be submitted .
- xviii) Solar Power Park Developer is required to obtain connectivity for power evacuation from STU and to achieve financial closure within 12 months of Registration .
- xix) STU or CTU will be responsible for construction of external transmission system for evacuation of power like construction of a substation nearby the solar Park to take power from one or more pooling stations, after following necessary technical and commercial procedures as stipulated in the various regulations notified by the concerned Electricity Regulatory Commission.
- xx) Solar Power Park developer after registration with UPNEDA will contact STU for connectivity with registration certificate. STU after examination of technical feasibility shall provide permission for open Access and execute a connectivity agreement).
- xxi) According to the provision in "Grant of connectivity to intra-state transmission systems Regulation 2010" issued by the Uttar Pradesh Electricity Regulatory Commission amended from time to time, expenditure on construction and strengthening of external transmission system will be borne by Solar Power Park Developer .
- (xxi) The Solar Power Park developer will have 24 months' time for completion and setting up of solar Park . In the event of the non-completion of the work within the time, approval for developing the Solar Power Park may be cancelled and the grid connectivity allotted may be given to other . Extension may be given only in case of Force Majeure condition .