

GOVERNMENT OF JHARKHAND
Jharkhand State Solar Power Policy 2015
Resolution No. 2007 Dated 10.8.2015

Sl. No.	Description	Summary																																
1.	Title	Jharkhand State Solar Power Policy 2015 Dated 10.8.2015																																
2.	Objective	(a) To encourage participation of Private Sector to set up Solar Power based projects in the State & increase solar power generation to 2650 MW by the year 2020 in a phased manner. (b) To build a favourable atmosphere for setting up Solar Power projects. (c) Ensure energy security of the State by stable and non-polluting means. (d) To promote local manufacturing facilities to generate employment in the State.																																
3.	Operative Period	<ul style="list-style-type: none"> Policy shall come into operation with effect from the date of notification and remain applicable till a new policy is issued. Solar Power Projects (SPP) commissioned during the operative period to be eligible for the incentives declared under this policy, for a period of ten (10) years from COD, unless the period is specifically mentioned for any incentive. 																																
4.	Eligible Entities	All registered companies/firms/societies, Government entities, consumers of DISCOM(s) and individuals will be eligible for setting up of Solar Power Projects within the State for sale of electricity/captive use, in accordance with the Electricity Act-2003, as amended from time to time.																																
5.	Minimum Target	<table border="1"> <thead> <tr> <th>Description</th> <th>Unit</th> <th>FY 2015-16</th> <th>FY 2016-17</th> <th>FY 2017-18</th> <th>FY 2018-19</th> <th>FY 2019-20</th> <th>Total</th> </tr> </thead> <tbody> <tr> <td>Solar Photovoltaic Power Plants*</td> <td>MW</td> <td>100</td> <td>250</td> <td>500</td> <td>500</td> <td>750</td> <td>2100</td> </tr> <tr> <td>Rooftop Solar Power Plants**</td> <td>MW</td> <td>25</td> <td>50</td> <td>100</td> <td>125</td> <td>200</td> <td>500</td> </tr> <tr> <td>Solar Thermal Power Plants</td> <td>MW</td> <td>5</td> <td>10</td> <td>10</td> <td>10</td> <td>15</td> <td>50</td> </tr> </tbody> </table> <p>* Minimum size of the Solar PV power plant at single location shall be 1 MW. ** Minimum size of Rooftop solar PV power plant at single location to be 1 kW</p>	Description	Unit	FY 2015-16	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20	Total	Solar Photovoltaic Power Plants*	MW	100	250	500	500	750	2100	Rooftop Solar Power Plants**	MW	25	50	100	125	200	500	Solar Thermal Power Plants	MW	5	10	10	10	15	50
Description	Unit	FY 2015-16	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20	Total																											
Solar Photovoltaic Power Plants*	MW	100	250	500	500	750	2100																											
Rooftop Solar Power Plants**	MW	25	50	100	125	200	500																											
Solar Thermal Power Plants	MW	5	10	10	10	15	50																											
6.	Categories of Solar Power Plants (SPPs)																																	
I	Development of Solar Power Plants for Sale of Electricity to the Distribution Licensee	<ul style="list-style-type: none"> State to have first right of refusal for up to 50 percent of the power generated by the project or Renewable Power Obligation (RPO) of the Distribution Licensee, whichever is higher. JSERC to announce separate feed-in tariff applicable for utility scale solar photovoltaic and solar thermal power plants. The feed-in tariff shall act as a ceiling limit in the competitive bidding process organized by the Nodal Agency. Power Purchase Agreement (PPA) to be between the State DISCOMS and the successful bidder for 25 years or life of the project, whichever is earlier. For projects of 500 MW and above, government land, to be made available on priority by the State Government on long term lease basis. Performance bank guarantee for these projects shall be Rs. 10 lakhs per MW to be released only after scheduled commissioning of the plant. 																																

II	Plants for Sale of Electricity to any Person other than the Distribution Licensee	<ul style="list-style-type: none"> Nodal Agency to extend its support for implementation of solar power plants under this segment. JSERC to announce suitable provisions for the development of the plants under this category.
III	Development of Solar Parks	<ul style="list-style-type: none"> State Government to promote non-productive land/ other land falling within the area of Solar Park for development of Solar Parks and identify the land. JSERC to develop suitable framework to ensure successful development of Solar Parks in the State. State Government to help facilitate in building up the necessary infrastructure like power evacuation infrastructure, water requirements and internal road etc. Solar Park to consist of various zones viz. Solar Power Projects, Manufacturing Zones, R&D and Training centres. State to extend all facilities and fiscal incentives provided by Central Govt. / National Solar Mission to the Manufacturers and Developers in Solar Park. Special Purpose Vehicle (SPV) under the Nodal Agency to be established for development of infrastructure and management of Solar Park SPV to formulate Policy and Rules in respect of land allotment, sharing of development cost by the solar power producers and manufacturers and develop initial infrastructure from the funds allocated by Gol and Govt. of Jharkhand, to be subsequently recovered from the producers whose projects are located in Solar Parks by levying development charges.
IV	Development of SPPs under Renewable Energy Certificate Mechanism(REC)	<ul style="list-style-type: none"> State to promote development of solar power plants under the renewable energy certificate mechanism specified by JSERC. Nodal Agency to extend its support for the accreditation of the power plant and recommend its registration with the Central Agency under the guidance of JSERC for the implementation of the framework.
V	Development of SPPs on Canals	<ul style="list-style-type: none"> State to promote development of Solar Power Plants on the Canal Top and on the banks of canal, after undertaking its technical feasibility. Nodal Agency to coordinate with the Ministry of New and Renewable Energy(MNRE) for implementation of its scheme
VI	Development of SPPs under the schemes of Govt. of India/State Govt.	<ul style="list-style-type: none"> State Government to extend cooperation to the developers participating in the schemes announced by MNRE, Govt. of India, from time to time. Nodal Agency to coordinate for finalization of such schemes and JSERC to announce suitable framework for the implementation of these schemes. State to promote development of Solar Power Plants under any other scheme announced by the State Government, from time to time.
7.	Grid Connected Rooftop Solar Photovoltaic Power Plants- Implementation Plan	
I	Generation and Sale of Electricity to the Distribution Licensee.	<ul style="list-style-type: none"> To comply with the solar purchase obligation targets specified by JSERC, State to encourage deploying rooftop solar photovoltaic power plant for generation and sale of electricity to the Distribution Licensee of the State. JSERC to announce separate feed-in tariff applicable to rooftop SPV plants,
II	Generation and Sale of Electricity to a Person/ Entity other than Distribution Licensee	<ul style="list-style-type: none"> State to promote implementation of solar power plant under this category. Nodal Agency to extend support for implementation of SPPs JSERC to announce suitable provisions for the development of the plants under this category
III	Generation, Captive Consumption and injection of surplus Electricity under Net Energy Metering Mechanism	<ul style="list-style-type: none"> State to promote development of rooftop SPV plants by any Person/entity for meeting its own electricity requirements and injecting surplus electricity into the distribution system. Framework for the implementation of net energy metering mechanism to be specified by JSERC for the development of plants to promote captive consumption of electricity. State to encourage implementation of grid interactive rooftop SPV plants as under:
(a)	Plants on Government/ Public Institutions:	For captive/self-consumption on the offices of the government organizations, government owned or aided hospitals, research institutions, educational institutions, Govt., residences/colonies, hostels & training institutions etc.

(b)	Plants on Private Institutions	<ul style="list-style-type: none"> • On the premises of residential buildings/colonies/townships, societies, hotels, private guest houses, transit hostels, students' hostels, and marriage houses, commercial establishments, cinema & theatres, private hospitals & warehouses, industries etc. • All the aforementioned institutions to be encouraged to implement rooftop SPV plants, on the roof of their premises/area, to generate electricity for sale to the distribution licensee and/or for their self-consumption. • State government to provide incentives to promote large scale adoption of grid interactive rooftop solar power generation by the residential consumers. • No Distribution losses and charges to be collected from group/ society / individuals by the DISCOMs. • Eligible Developers to avail the relevant subsidies & incentives from MNRE under JNNSM scheme. • All approvals / clearances to be disposed by respective DISCOMs within 14 days from the date of application. • Metering facility for all eligible developers who setup SPV plant in their premises and they may apply to DISCOMs on-line. • Applicable tariff for solar rooftop projects shall be determined by JSERC.
8.	Implementation Plan for Decentralized & Off-Grid Solar Applications	JREDA to identify priority areas/sectors for deployment of decentralized and off grid Solar photovoltaic power plants including SPV plants, standalone power plants, solar home lighting systems, street lighting system, solar pumps etc. to implement the off grid solar systems in those priority areas/sectors with the approval of the Govt.
9.	Incentives	
A	Electricity Duty	Exempted for 10 years from date of commissioning for the power from Solar Power Projects setup within the State
B	Deemed Industry Status	<ul style="list-style-type: none"> • All SPPs to be treated as 'Industry' under the schemes administered by the prevailing Industrial Policy of Jharkhand and incentives available to industrial units to be available to the SPPs developers. • Nodal Agency to recommend for sanctions and disbursement of the subsidy/ incentives contained in Jharkhand Industrial Policy. • In case of any inconsistency between the prevailing Industrial Policy of Jharkhand and Jharkhand State Solar Power Policy, the provisions under the Jharkhand State Solar Power Policy shall prevail.
C	Open Access	Intra-state Open Access clearance for the whole tenure of the project or 25 years whichever is earlier to be granted.
D	Exemption from Conversion Charges	Residential consumers opting for implementation of rooftop SPV plant under sale to grid exempted from conversion of house tax to commercial tax.
E	Exemption from payment of VAT	Equipment purchased for installation of Solar plants exempted from payment of VAT subject to transition in GST regime in future
F	Wheeling Charges	<ul style="list-style-type: none"> • T&D charges for wheeling of power generated from SPPs through State Transcos /DISCOMS to be as per wheeling charges specified by JSERC for wheeling within the state. • State Govt. to provide a grant of 4% of wheeling charges in terms of energy injected and balance wheeling charges to be borne by the developer.
G	Cross Subsidy Surcharge	Cross Subsidy Surcharge exempted for third party sale from SPPs set up in the state
H	Banking	<ul style="list-style-type: none"> • 100% banking permitted for all Captive and Open Access/Scheduled consumers during all 12 months of the year. • Banking charges to be adjusted in kind @ 2% of the energy delivered at the point of draws. The banking year shall be from April to March. • Draws from banked energy not permitted from 1st April to 30th June and 1st February to 31st March of each financial year. • Draws of banked energy during the Time of the Day applicable during the peak hours as per respective Retail Supply Tariff Order also not permitted throughout the year.

		<ul style="list-style-type: none"> • Energy injected into the grid from date of synchronization to Commercial Operation Date (COD) to be considered as deemed energy banking. • The unutilized banked energy to be considered as deemed purchase by DISCOM(s) at the pooled power purchase cost as determined by the JSERC for the applicable year. • Energy settlement to be done on monthly basis.
I	Height of the module structure	Height of the module structure carrying Rooftop Solar panels, in addition to the building height to be, not counted towards total height of the building under the building bye laws.
J	Contract Demand Reduction	Scheduled Consumers may avail reduction in Contract Demand for a period of five years from COD
K	Third Party Sale	Third Party sale within or outside the State of Jharkhand allowed as per Electricity Act 2003 and the Orders and /or Regulations issued by JSERC
L	Clean Development Mechanism	As per the provisions specified by JSERC
M	Pollution Clearance	Exempted
N	Distribution Losses	Exempted for SPPs injecting at 33 kV or below irrespective of voltage level of the delivery point within the DISCOMs.
O	Renewable Energy Certificate (REC)	<ul style="list-style-type: none"> • All projects eligible for REC benefits subject to applicable regulations / orders of the appropriate commission. • Deemed injection into the grid for in-house solar generation also eligible for REC benefits subject to applicable guidelines.
P	Grid Connectivity & Evacuation Facilities	<ul style="list-style-type: none"> • Power to be injected at the sub-station and/or interconnection point of the State Transco/DISCOM(s). • Transco/DISCOM to bear the entire cost of construction of power evacuation facilities from the project's generator switchyard to the interconnection point (injection point), up to a maximum length of 10 KM. • State Govt. to reimburse such cost to the concerned Transco/DISCOM if the project capacity is 2 MW or more. • Beyond 10 KM, the cost to be borne by the developer. • State Transco /DISCOM(s) to dispose the proposals for the technical feasibility for evacuation within 14 days from date of receipt of application. • Eligible Developer to abide by the orders, rules, regulations and terms and conditions of the Regulatory Commission for operation of Solar Power Projects, power evacuation, transmission and wheeling of energy. • Any upstream system strengthening requirement & maintenance of power evacuation infrastructure cost to be borne by State Transco/ DISCOM(s)
Q	Deemed Public Private Partnership (PPP) Status	Deemed PPP status to be provided for projects coming up under generation and sale of electricity to the Distribution Licensee
R	Non Agriculture Status:	Deemed Non-Agricultural (NA) status for the land where SPPs will be accorded, on payment of applicable statutory fees.
S	Must run status	Injection from Solar Power Projects to be considered to be deemed scheduled
T	Land Allotment	<ul style="list-style-type: none"> • Developer to acquire land required for the project. • State Govt. to identify and provide land for developing of SPPs on competitive tariff bidding basis. • Govt. land in the 'Industrial areas / zones' of the State to be provided for setting up of solar power plants, solar manufacturing industry, solar parks • Govt. to introduce land bank scheme to facilitate quick availability of Govt. land for SPPs of capacity 500 MW or more on long term lease basis at JERC tariff. • 100% waiver on land use conversion charges/fees. • Stamp duty exemption on purchase of private land • 100% exemption from payment of fee and stamp duty for registration of lease deed for allotment of Govt. land and on registration of purchase of private land

U	Timely Completion & Commissioning of Project	If the project is completed and commissioned within the scheduled period, developers will be exempted from paying electricity duty and banking charges for 25 years or the project life whichever is earlier
V	Deemed Approvals	Govt, to issue certificate whenever required
W	Priority industry	Solar industry shall be declared as a priority industry
10	Role of Nodal Agency	Jharkhand Renewable Energy Development Agency (JREDA) to be the Nodal Agency For details about functions refer the Policy
11.	Role of JSERC	To notify appropriate regulatory framework for the promotion and deployment of utility scale solar power plants and grid connected rooftop solar photovoltaic power plants in the State. For details refer Policy and JSERC Regulations
12.	Role of State Transmission & Distribution Licensee	<ul style="list-style-type: none"> • State T & D Licensees to extend support and guidance to the eligible entities in installing SPPs and connectivity with their electricity system. • PPA by DISCOM as per the regulatory framework of JSERC.
13.	Registration	<ul style="list-style-type: none"> • JREDA to be the nodal agency for registration and post development activities for the development of SPPs in the state • The companies who have signed MoU with the State Government to get registration as per provisions of this clause in Policy • Developers/Investor to submit following documents for registration: <ul style="list-style-type: none"> (i) Application in the given format; (ii) Certified copy of Memorandum & Articles of Association of the company / Certified copy of the bye- laws of the registered society; (iii) Certified copy of partnership deed; (iv) Certified copy of the audited balance sheet of last 3 years/Net worth, turn over and Personal Bank Guarantee. • For eligible project after evaluation, Developers to deposit processing fee (non-refundable) of Rs. One lac per MW and get the project registered within a period of fifteen days from the issuance of the demand note otherwise the registration of the project to be considered cancelled.
14.	Post Registration Activities	The following documents shall be submitted by the Project Developer:- <ul style="list-style-type: none"> (i) Detailed Project Report (DPR); (ii) Land related document for the projects proposed; (iii) CPM/ PERT chart (iv) Geo-referenced map for the PV power project location, also showing the Grid location. (v) Water allocation order on the basis of water availability at the project site (if applicable) and geo-referenced map showing also the Grid location for the Solar Thermal project.
15.	Security Deposit	<ul style="list-style-type: none"> (a) For projects for sale of power to DISCOMS of Jharkhand, security deposit to be governed by provisions in the bid document and PPA. (b) For plants under REC mechanism, captive use, third party sale/sale to other state through Open Access, developer to deposit security amount of Rs30.00 lakh/MW in the form of bank guarantee(BG) within one month from the date of issue of in-principle clearance/approval of the project by JREDA, failing which the approval of the project automatically stand cancelled. (c) Security amount deposited shall not be convertible or transferable and shall be refunded within 30 days after receipt of written request from the developer after commissioning of the project. (d) In case the developer fails to commission the power plant within the time schedule, the security deposit to be forfeited.
16.	Minimum Equity to be held by the Developer	Refer Policy

17.	Performance Guarantee	<p>(i) For Projects for sale of electricity to the Distribution Licensee: As per the guidelines specified in the qualification/ selection document issued by JREDA for competitive bidding.</p> <p>(ii) For other category projects availing policy benefits: Developer to submit Performance Bank Guarantee for projects at the rate of Rs. 5.0 Lac/MW to JREDA. BG to be valid for a period of 24 months for Solar PV projects and 40 months for Solar Thermal projects respectively.</p> <p>(a) BG to be released in stages to the project Developer after evaluating the achievements and project benchmarks.</p> <p>(b) In case Developer fails to achieve the desired progress and the project is cancelled, the balance remaining BG to be forfeited and en-cashed as penalty. The decision of JREDA shall be final.</p> <p>(c) In case the project cannot be set up for want of an approval from the Central/ State Govt., the Performance guarantee shall be released.</p>
18.	Administrative Approvals	Application received to be examined and accorded approval, if found acceptable by the Govt, of Jharkhand within a period of thirty (30) days from the date of registration of the project for category II & IV projects and 30 days from the date of finalization of bidding process for category I project
19.	Post Approval Activities and commissioning	As detailed in the policy
20.	Migration of Solar Power Projects	Companies, who have signed MoU with Government of Jharkhand, before the notification of this policy to be treated at par with the new projects
21.	Metering Arrangement	<ul style="list-style-type: none"> • As per Central Electricity Authority (Installation and Operation of Meters) Regulations, 2006 with amendments Regulations 2010 and Regulations 2014. • Metering equipment, as may be stipulated by Jharkhand Bijli Vitran Nigam Ltd. (JBVNL) / DISCOMS, to be installed at the interconnection point • Developers to install metering equipments at their own cost as per specifications and provisions of JSERC Regulations on metering. • All officials of the respective Distribution Company authorized for the purpose shall be allowed access by the Developer to inspect the same
22.	Tariff	<p>Projects for sale of electricity to the Distribution Licensee:</p> <ul style="list-style-type: none"> • JSERC to announce separate feed-in tariff applicable for utility scale SPV and solar thermal power plants • Where the land for the solar power plant is provided by the government, the power tariff and capacity to be decided on the basis of reverse competitive bidding with reference to the levelised feed-in-tariff of JSERC and to be reviewed after one year of announcement of this policy. • For projects of capacity 500 MW or more, power tariff shall be the levelised feed in tariff announced by JSERC. • Where the land for the solar power plant is arranged by the project developer power tariff for the approved capacity shall be decided by JSERC. <p>Projects for Sale of Electricity to any Person other than the Distribution Licensee:</p> <ul style="list-style-type: none"> • In case of third party sale/captive use/sale to other states other than the distribution licensee, PPA to be executed between the Power Producer and the Procurer on mutually agreed rates. • A separate Agreement to be executed with Jharkhand Bijli Vitran Nigam Ltd. (JBVNL) for wheeling and banking of power. <p>Projects for sale of power under REC Mechanism: PPA to be executed between solar power producers and Procurer as per the Regulations/Orders of CERC and JSERC.</p> <p>Projects for sale of power under the schemes announced by Government of India: PPA to be executed between the solar power producer and the Procurer and/or JBVNL as per Guidelines of MNRE.</p>
23.	Interconnectivity with the Electricity System	To be in accordance with the provisions laid by the licensee and approved by JSERC.

24.	Financial Arrangement & Support	(a) Through Private Investment (b) Budgetary Support (c) Creation of Green Fund: State Government to devise creation of a Green Fund through imposition of cess on the consumption of electricity.
25.	Monitoring of Parameters	<ul style="list-style-type: none"> • Developers need to install equipment to monitor Solar irradiance, Wind speed, ambient air temperature and electricity generated and injected into the electricity system or self-consumed from SPP. • Solar Thermal plant developers to install equipment to monitor Solar insolation, thermal heat generated and related parameters • Monitoring report to be submitted to the Nodal Agency on 1st of every calendar month for the useful life of the plant through online mechanism.
26. Other Provisions		
I	Use of Fossil Fuels	<ul style="list-style-type: none"> • Usage of fossil fuel not allowed in the grid connected solar thermal power projects. • Hybrid systems allowed as per the guidelines of the Ministry of New and Renewable Energy (MNRE)
II	Project Inspection	<ul style="list-style-type: none"> • Developer to render all requisite help and assistance in facilitating inspection by Authorized Representatives of Govt to assess the safety of the project. • Developer to maintain all records regarding capacity, generation, downtime, with relevant constraints etc. and make available all these records to the inspecting authority for inspection. • Once the project is commissioned, developer to submit the monthly and annual generation details duly certified by the concerned distribution/ transmission utility to JREDA,
III	Reactive Power Charges	In case of draw of Reactive Power for the Project, necessary charges shall be payable at the rates prescribed by JSERC
27.	Solar Power Adoption by big Consumers	<ul style="list-style-type: none"> • Solar Power generation/Procurement to be encouraged and facilitated for commercial consumers with LT industrial connection with more than 50 kVA connected load and for all HT & EHT consumers. • All new domestic buildings having floor area equal to or greater than 3000 sq ft shall be encouraged and facilitated to have at least 1 kW Solar PV system. • In case of Housing Societies, 5% of energy (electrical + thermal applications) usage would be encouraged and facilitated to be met from solar mode, for the common amenities
28.	Project Approvals	<ul style="list-style-type: none"> • For approvals of projects up to 50 MW capacity at a single location, a State Level Screening Committee (SLSC) will be constituted by the Govt. to be chaired by Principal Secretary/ Secretary, Energy, Govt, of Jharkhand • For approval of projects above 50 MW at a single location, a State Level Empowered Committee (SLEC) shall be constituted by the Government under the Chairmanship of Chief Secretary
29.	Mid-term Review	State Govt., may undertake a mid-term review of this policy after a period of two years or as and when need arises.