

GOVERNMENT OF TELANGANA

TELANGANA SOLAR POWER POLICY 2015

Sl. No.	Item	Summary
1.	Title	Telangana Solar Power Policy 2015
2.	Operative Period	The policy shall come into operation with effect from the date of issue and shall remain applicable for a period of 5 years <ul style="list-style-type: none"> • Solar power projects (SPP) commissioned during the operative period to be eligible for the incentives under this policy for a period of 10 years from date of commissioning unless the period is specifically mentioned.
3.	Applicability of the Policy	<p>1. To be applicable for following solar projects set up within the state-</p> <p>(a) Solar Power Projects (SPPs)</p> <p style="padding-left: 20px;">Grid connected SPP based on both Photo Voltaic (PV) and Solar Thermal technologies</p> <ul style="list-style-type: none"> - Projects set up for sale of power to TS DISCOMS - Projects set up for sale of power to third parties within the state <p>(b) Projects set-up for captive generation/ group captive generation (including those funded and owned by developers)</p> <p>2. Solar Roof-top Projects (SRPs) (Grid connected and off grid) – Includes projects funded and owned by developers</p> <p>3. Off grid applications</p> <p>4. Any other project established based on MNRE/GOI Schemes</p> <p>5. Solar parks</p> <p>For availing benefits under this policy, power generated from any of the above modes, has to be consumed within the state.</p>
4.	Regulatory Framework	SERC to set tariffs and regulations for renewable power purchase obligation (RPPO), as well charges for wheeling, transmission and distribution of electricity
5.	Solar Parks	<ul style="list-style-type: none"> • Solar parks implementing agency to be formed by State Government along with designated central agency and private sector participation/independently by private sector. • Implementing agency to facilitate in development of supporting infrastructure and facilities including power evacuation, water arrangements, internal roads and administrative facilities. • Solar Park(s) to host players in solar power sector including solar power plants, component manufacturers, R&D centres, training centres and financial institutions. • State to extend all facilities and fiscal incentives provided by Central Government/ National Solar Mission to the manufacturers and other participants in Solar Parks.
6.	Solar Rooftop Projects (SRP)	<ul style="list-style-type: none"> • Government to promote solar rooftop systems on public buildings, domestic, commercial and industrial establishments • Consumer's free to choose net/gross metering option for sale of power to Discom's • Tariff applicable for units generated under gross metering at 11 kV and below to be average cost of service of the DISCOM as determined by TSERC and for net metering would be average pooled power purchase cost. • Projects under both gross and net metering to be subject to monthly billing and settlement. • No distribution losses/charges applicable for SRPs. • Consumer installing grid connected SRPs shall apply online with the respective TSDISCOM either on website/through designated customer service centres. • Applications to be processed within 21 days from the date of application failing which it will be deemed to have been approved. • Facility of gross and net metering to be extended to SRPs for a period of 25 years.

		<ul style="list-style-type: none"> Modalities of implementing the above policy directives including metering, billing, settlement, payment(s) and technical aspects etc. to be made available on the TSSPDCL /TSNPDCL website. All incentives provided by the GOI/MNRE under the National Solar Mission (NSM) or other schemes and incentives provided by state government from time to time to be extended to grid connected SRPs and off grid SRPs.
7.	Solar Off- GRID Applications	<ul style="list-style-type: none"> State Government/DISCOMS, through various awareness programs, to encourage use of solar powered applications for domestic, industrial and commercial purposes. Nodal Agency to work with DISCOMS to create an enabling framework with direct/indirect benefits for replacement of conventional applications with solar powered applications
8.	Ease of Business -Enabling Provisions	For ease of doing business following measures are provided for SPPs and solar parks, wherever applicable. Developer to ensure that the generation is within the time limit stipulated in the PPA or within a maximum period of 2 years from the date of application whichever is earlier, failing which the provisions under this policy automatically stands cancelled:
(a)	Single Window Clearance	<ul style="list-style-type: none"> Solar Policy Cell (SPC) to undertake single window clearance for all SPPs. Transaction charge @ Rs. 10,000/MW applicable for processing applications with a maximum of Rupees Two lakhs per project.
(b)	Deemed conversion to Non-agricultural Land status	<ul style="list-style-type: none"> Developer to acquire land for solar project. Land acquired for grid-connected SPPs for sale to DISCOMS/ captive use/ third party sale or for Solar parks shall be deemed to be converted to Non-agricultural land status on payment of applicable conversion charges as per the Agricultural Land (Conversion for Non- agricultural Purposes) Act, 3 of 2006 amended from time to time.
(c)	Exemption from Land ceiling Act	<ul style="list-style-type: none"> Ceiling limit as per the land ceiling act not applicable for land acquisition for SPPs and Solar Parks. Exemption available only against firm orders/ PPAs/ successful bids to the extent of land required. Land requirement to be computed @ 5 acres/ MW/ lower limit based on the advancement of technology.
(d)	T&D charges for wheeling of power	<ul style="list-style-type: none"> Wheeling and transmission charges exempted for captive use within the state but applicable for third party sale. T&D losses applicable for both third party/ captive use within the state
(e)	Power scheduling and Energy Banking	<ul style="list-style-type: none"> Injection from SPP shall be considered to be deemed scheduled 100% permitted for all captive and open access/ scheduled consumers throughout the year with banking year from April to March Banking charges to be adjusted in kind @ 2% of the energy delivered at the point of drawl. Banked units cannot be consumed/redeemed in the peak months (Feb to June) and in the peak hours (6 pm-10 pm) For captive/ third party sale, energy injected into the grid from date of synchronization to open access approval date will be considered as deemed energy banked. Banked unutilized energy to be considered as deemed purchase by Discoms at the pooled power purchase cost as determined by TSERC for the year
(f)	Electricity Duty	<ul style="list-style-type: none"> Exempted for captive consumption, sale to Discoms and third party sale from solar projects set up within the state Electricity duty to be waived for the new manufacturing facilities and ancillaries of the SPPs
(g)	Cross Subsidy Surcharge	For SPP located and selling power to third parties within the state, 100% exemption on the cross subsidy surcharge as determined by TSERC for five years from the date of commissioning
(h)	Bill Settlement	SPPs selling power to the DISCOMS, settlement of energy as per PPA executed between the SPP and the DISCOM

(i)	Grid Connectivity and Evacuation facility	<ul style="list-style-type: none"> Evacuation to be at the appropriate voltage level at the interconnection point of TSTRANSCO or TSDISCOMS and evacuation up to the interconnection point to be the sole responsibility of the SPP developer. SPP to conform to the order, rules, regulations and guidelines issued by the TSERC/SLDC/RLDC/ TSTRANSCO from time to time on all matters pertaining to O&M of the plant. Developer to bear the entire cost of transmission infrastructure till the interconnection point. However supervision charges levied by the TSTRANSCO/ DISCOMS to be exempted TSTRANSCO/DISCOMS to process and close the proposals for technical feasibility within thirty (30) days of receipt of application from the SPP developer
(j)	Development Charges and Layout fee and permission from Gram Panchayat	<ul style="list-style-type: none"> Development charges and layout fee of Rs. 25,000 per acre to be payable to the respective Panchayat. On payment, Gram Panchayat to accord necessary approvals for setting up of the SPP/Solar parks including permission for bore wells. Gram Panchayat to give permission within 14 working days from the date of payment failing which permission will be deemed to have been accorded.
(k)	Refund of VAT	100% refund of VAT/SGST for all the inputs required for SPP to be provided by the Commercial Tax Department for 5 years.
(l)	Refund of Stamp Duty	<ul style="list-style-type: none"> 100% refund of Stamp Duty for land purchased for setting up SPP and/or Solar parks by Industries Department as incentive. Registration charges are payable as per rules.
(m)	Open Access	<ul style="list-style-type: none"> Intra-state Open Access clearance for the tenure of the project as per TSERC Regulations In absence of any intimation from SPC to the generator within 21 working days, application shall be deemed to have been given open access.
(n)	Pollution Control Board (PCB) clearances	SPPs to be given required clearances under pollution control laws within a week by TSPCB
(o)	Provisions under the Factories Act	Grid-Connected SPPs for sale to DISCOMs/ captive use/ third party sale to be registered as factories (for the purpose of labour) under the factories act
7	Nodal Agency	Nodal agency to be responsible for availing subsidy for solar rooftop systems etc as per MNRE guidelines and co-ordinate with MNRE/Solar Policy Cell (SPC) of Discom.
8	Solar Policy Cell	A dedicated Solar Policy Cell (SPC) shall be set up by TSDISCOM for single window clearance of SPP with following responsibilities: <ul style="list-style-type: none"> (a) All clearances and approvals pertaining to DISCOMS and TSTRANSCO (b) Obtaining power evacuation approval and/ or Open Access (c) Other clearances and approvals such as panchayat/municipality clearances, agricultural land conversion
9	Project Monitoring	A "High Level Committee" headed by Secretary, Energy Department to monitor the progress of implementation of the Solar Power projects cleared under the policy.
10	Review	State Govt. reserves the right to review of this policy as and when need arises.