

GOVERNMENT OF UTTAR PRADESH

Solar Power Policy, Uttar Pradesh, 2013

Sl. No.	Description	Summary
1.	Title	Solar Power Policy, Uttar Pradesh, 2013
2.	Operative Period	<ul style="list-style-type: none"> • The policy to come into effect from the date of issuance and to remain in operation till 31st March 2017. • Solar power plant approved, installed and commissioned during this period to be eligible for benefits under this policy. • No benefit of this policy will be available to projects set up under any incentive scheme of MNRE.
3.	Objectives	<ul style="list-style-type: none"> • To promote generation and the use of clean and green power in the State by harnessing Solar energy • To put in place an appropriate investment climate, which could stimulate private sector participation in the development of Solar power • To spread environmental awareness among the general public • To contribute to the productive use of wastelands
4.	Nodal Agency	<ul style="list-style-type: none"> • Uttar Pradesh New and Renewable Energy Developer Agency (UPNEDA)
5.	Grid Connected Solar Power	<ul style="list-style-type: none"> • Grid connected Solar power projects will be implemented on suitable land banks identified and procured by the developer. • For Projects to be set up on government land or space, the developer will be selected by the department or a nodal agency through a transparent process.
5.1	Project Size	Minimum 5 MW capacity
5.2	Sale of Energy	<ul style="list-style-type: none"> • Energy generated from Solar power projects commissioned during this policy period may be sold to distribution utility of UPPCL, to any third party or used for captive purpose. • Developers interested in selling the generated energy to a distribution utility of UPPCL, will have to participate in competitive bidding for the capacity they wish to offer, subject to the approval by UPERC. • If the total aggregate capacity of the bids received is more than 200 MW, selection of the bidders shall be in the ascending order of the quoted tariff. • UPPCL to sign the PPA with the successful bidders for a period of 10 years. • For PPAs signed as a result of competitive bidding, difference in the case I bidding tariff arrived at by UPPCL for the purchase of conventional power and the price of Solar power discovered through this bidding, shall be payable to the distribution utility for power purchased from Solar power projects for the first 200 MW of Solar power commissioned under this policy for a period of 10 years. • Budgetary support provided by the State Government to the Nodal Agency under the budgetary head "Incentive scheme for Solar Power Generation" will be utilised for these purposes. • Empowered committee constituted will oversee the overall implementation of this scheme and shall be empowered to issue any directions to remove any difficulties with regards to its implementation.
5.3	Sale of Energy to Third Party	<ul style="list-style-type: none"> • Developers, who wish to sell the generated power to a third party, can set up plants under this policy, but will not be allowed to sign a PPA with the distribution utility of UPPCL, even in future. • Plants, which want to avail of the incentives under this policy, will have to register with the nodal agency, sign an agreement and furnish a performance bank guarantee till the commissioning of the project as per the time frame given in this policy. • However, the subsidy or generation based incentive shall not be available to such projects.
5.4	Captive Power Plants	Solar power plants of above 5 MW capacity to be built for captive use to be eligible for the incentives under this policy either within the premises of the user plant, or outside, with wheeling arrangement.
5.5	Time-Frame for Implementation of Projects	Solar PV projects within 13 months and Solar thermal projects within 28 months from the date of signing of the PPA.

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5.6	Grid Connectivity and Evacuation Infrastructure	<ul style="list-style-type: none"> Grid connectivity and associated evacuation facilities from the Solar substation to the "feed in substation" to be provided as per UPERC Regulations 2010 as amended from time to time. Responsibility of getting connectivity with the transmission system owned by Discom/STU to lie with the Project Developer. Cost of the line up to the "feed in substation" to be borne by the developer. This transmission line shall be constructed by the STU or Discom who owns the "feed in substation". Entire cost of construction of the line, wheeling charges, losses etc. to be borne by the developer.
5.7	Restriction on the use of Fossil Fuel	Use of fossil fuel not allowed in a Solar thermal power project.
6.	Solar Farms	Provision of special incentive will be made by the State Government on case to case basis for solar farms where multiple plants are installed and the total investment is over Rs.500crores.
7.	Incentives Under Solar Policy	Incentives under the Uttar Pradesh State Industrial Policy, 2012 to be applicable to the Solar power plants.
8.	Incentives for Bundelkhand Region	Expenditure on the construction of transmission line and substation in the Bundelkhand region, to be borne by the State Government.
9.	Target Capacity	Target capacity of 500 MW of Grid connected solar power plant will be achieved till March 2017.
10.	Single Window Clearance System	<ul style="list-style-type: none"> Nodal Agency to act as the single window clearance for the Solar Power Projects and ensure that all the relevant orders as per this policy, are issued in time by the concerned departments. It will facilitate all the clearances, approvals, permissions and consents required from the State Government and its agencies. It may outsource some of its tasks. Empowered committee headed by the Chief Secretary of the state, to review the pending clearances from time to time.
11.	Role of Nodal Agency	<ul style="list-style-type: none"> Nodal Agency to facilitate and assist the project developers. It will undertake the following activities to achieve the objectives of the policy.
11.1	Bidding of Projects	<ul style="list-style-type: none"> It will be responsible for all the tasks related to the bidding process for the Solar power projects in the state. Bidding for other departments, who set up Solar power projects on their land/space, also to be done by nodal agency, if so requested by the concerned department. Departments to bear the cost of the feasibility report preparation and the bid process management. Nodal Agency may charge for this service.
11.2	Land Bank	Identification of suitable locations and the creation of a land bank.
11.3	Facilitation for Government Land/ Space	Facilitation for the allotment of suitable land/ space under the control of the State Government or its agencies.
11.4	Assistance in other Infrastructure	Assistance in arranging the right-of-way, if any, the water supply and the connecting infrastructure, like roads, etc.
11.5	Training	Develop appropriate manpower skills by tying up with some training and educational institutions.
11.6	Financial Arrangement	Utilization of the funds, provided under budgetary head "Incentive scheme for Solar Power Generation", for activities like hiring of consultants for Bid process management, outsourcing of the single window system and the other incentives to be made available through this policy, or on any other activity or works which are required for the implementation of the Solar Policy in the State.
12.	Empowered Committee	<ul style="list-style-type: none"> An empowered committee under the chairmanship of the Chief Secretary of the State will oversee, monitor and resolve various issues arising out of this policy. The committee to accord permission for bidding of Solar power projects under competitive bidding for total MW capacity. All proposals of third party sale of power and desires of availing incentives under this policy will be approved as eligible projects for incentives by the committee.