

Delhi Solar Policy, 2016, Dated: 27.09.2016

Sl. No.	Description	Summary																																																																		
1.	Operative Period	5-Years (2016-2020)																																																																		
2.	Applicability	This Policy will be applicable for any solar energy generating system with a capacity of 1 KWp or more.																																																																		
3.	Objectives	<ol style="list-style-type: none"> 1. Reduce Delhi's reliance on conventional energy while increasing its energy security and lowering average energy prices in the long term. 2. Ensure fairness for all stakeholders in the solar ecosystem, including roof top owners, DISCOMS, investors, consumers of non-solar power, technology and services providers. 3. Promote net metering / gross metering and grid connectivity for all solar plants by simplifying and streamlining processes and methods. 4. Generate employment in the solar energy sector through skill development especially for youth. 5. Promote a robust investment climate that enables multiple financial models, from self-owned (CAPEX) to third-party owned (RESCO) models. 																																																																		
4.	Eligible Entities	This policy applies to all electricity consumers under all electricity tariff in Delhi and to all entities that setup and operate power plants in Delhi.																																																																		
5.	State Nodal Agency	Energy Efficiency and Renewable Energy Management Centre (EE&REM) is a sub-division of the Department of Power, GNCTD, which shall act as the State Nodal Agency (SNA).																																																																		
6.	Target Capacity	<p>This Policy has set aggressive, yet achievable, targets over the next ten years, outlined below which shall be reviewed periodically.</p> <table border="1"> <thead> <tr> <th>Fiscal Year</th> <th>New Solar Energy (MW)</th> <th>Cumulative Solar Energy (MW)</th> <th>Annual Growth (%)</th> <th>Percentage of peak grid load*1</th> <th>Percentage of total electricity consumption*2</th> </tr> </thead> <tbody> <tr> <td>FY 16</td> <td>30</td> <td>35</td> <td>700%</td> <td>1%</td> <td>0.15%</td> </tr> <tr> <td>FY 17</td> <td>84</td> <td>119</td> <td>240%</td> <td>2%</td> <td>0.56%</td> </tr> <tr> <td>FY 18</td> <td>193</td> <td>312</td> <td>162%</td> <td>5%</td> <td>1.43%</td> </tr> <tr> <td>FY 19</td> <td>294</td> <td>606</td> <td>94%</td> <td>9%</td> <td>2.66%</td> </tr> <tr> <td>FY 20</td> <td>385</td> <td>991</td> <td>63%</td> <td>14%</td> <td>4.16%</td> </tr> <tr> <td>FY 21</td> <td>285</td> <td>1275</td> <td>29%</td> <td>17%</td> <td>5.10%</td> </tr> <tr> <td>FY 22</td> <td>228</td> <td>1503</td> <td>18%</td> <td>19%</td> <td>5.73%</td> </tr> <tr> <td>FY 23</td> <td>187</td> <td>1690</td> <td>12%</td> <td>20%</td> <td>6.14%</td> </tr> <tr> <td>FY 24</td> <td>161</td> <td>1850</td> <td>10%</td> <td>21%</td> <td>6.40%</td> </tr> <tr> <td>FY 25</td> <td>145</td> <td>1995</td> <td>8%</td> <td>21%</td> <td>6.57%</td> </tr> </tbody> </table> <p>*1 Based on 6 GW peak load in 2015 and a growth assumption of 5% per annum. *2 Based on actual energy units consumed in Delhi (27,266 MU) in 2014-15 and a growth assumption of 5% per annum.</p>	Fiscal Year	New Solar Energy (MW)	Cumulative Solar Energy (MW)	Annual Growth (%)	Percentage of peak grid load*1	Percentage of total electricity consumption*2	FY 16	30	35	700%	1%	0.15%	FY 17	84	119	240%	2%	0.56%	FY 18	193	312	162%	5%	1.43%	FY 19	294	606	94%	9%	2.66%	FY 20	385	991	63%	14%	4.16%	FY 21	285	1275	29%	17%	5.10%	FY 22	228	1503	18%	19%	5.73%	FY 23	187	1690	12%	20%	6.14%	FY 24	161	1850	10%	21%	6.40%	FY 25	145	1995	8%	21%	6.57%
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7.	Grid Connected Rooftop Solar Power Plants	Grid-connectivity must comply with "DERC (Net Metering for Renewable Energy) Regulations, 2014" and DERC's "T & C for Determination of Tariff for Procurement of Power for Grid-connected Solar Photovoltaic Power Projects", 2013.																																																																		
8.	Group Net Metering	<ol style="list-style-type: none"> 1. The purpose of this provision is to help maximize the utilization of rooftop space for solar energy generation for consumers with multiple buildings and service connections. 2. The State Government shall work with DERC to develop Group Net Metering 																																																																		

		framework for government buildings not later than 1 st April 2016 and for other consumer categories not later than 1 st April-2017.
9.	Virtual Net Metering	<ol style="list-style-type: none"> To give access to the Solar Net Metering facility for consumers who do not have a suitable roof for installing a solar system (e.g. residential consumers who live in apartments, consumers with shaded rooftops) there will be the facility of Virtual Net Metering. Collective ownership of solar plants may be established through housing societies, RWAs, trusts or section 25 Companies or any other legal entity that safeguards the interests of participating consumers, including rights which are at par with the rights enjoyed by consumers who have solar net metering with a solar system installed on their own roof. The State Government shall work with DERC to develop Virtual Net Metering framework for all consumers not later than 1-April-2017.
10.	Solar power plants under schemes announced by Govt. of India	The State shall assist solar project developers participating in schemes announced by MNRE or its identified agencies to promote solar plants.
11.	Solar power plants under Renewable Energy Certificate mechanism	The State shall promote the development of solar power plants under the Renewable Energy Certificate (REC) mechanism specified by the Central Electricity Regulatory Commission (CERC).
12.	Promotional policy for grid connected rooftop solar system	The State shall encourage implementation of grid connected solar plants. All grid connected solar plants shall comply with applicable CEA (Grid Standards) Regulations, 2013 and other applicable rules, regulations, and guidelines as amended from time to time.
13.	Government / Public Institutions	<ol style="list-style-type: none"> It will be mandatory for all such government buildings with rooftop area of 500 m² or above to install a solar PV plant as far as possible with a minimum capacity (kWp) computed as follows: Capacity in kWp = (Total shadow free rooftop area x 75%) / 12. Area provisions may be calculated on roof top @ 12 sq meters per 1 Kw, as suggested by Ministry of Urban Development referring the Ministry of New and Renewable Energy. The department, whose rooftop size is less than 500 sq meters, shall also endeavour to install solar PV plants as far as possible.
14.	Commercial and Industrial Establishments	The State shall encourage the deployment of solar plants with Net Metering on all Commercial and Industrial buildings with available rooftop areas. These include but aren't limited to schools, hospitals, nursing homes, malls, hotels, offices, banquet halls, clubs, restaurants, industries, warehouses, companies, parking lots, and commercial or tourism complexes.
15.	Residential Consumers	All urban development and housing agencies (private and public, including DDA and PWD), the Municipal Corporations of Delhi, banks and RWAs shall facilitate the deployment of solar project installations.
16.	Generation Based Incentives (GBI)	<ol style="list-style-type: none"> A GBI of INR 2.00 per unit (kWh) of gross solar energy generated is being offered for 3 years only, starting from the date of taking effect of the Policy. The minimum eligibility criteria for GBI will be 1,100 solar energy units (kWh) generated per annum per kWp. For solar plants that generate less than 1,100 units (kWh) per kWp a year, the GBI facility will not apply. The annual solar energy generation that is eligible for GBI shall be capped at 1,500 kWh per kWp, irrespective of the readings of the solar generation meter. The Green Fund shall utilize the funds already accrued in the Air Ambience Fund raised through a cess on diesel by the Department of Environment, GNCTD, to promote clean technologies.

17.	Other Exemptions, Benefits, and Incentives	The exemptions, benefits, and incentives below shall be available to solar plants implemented by the eligible entities, as applicable, during the Operative Period of the Policy.
18.	Exemption from the payment of Electricity Tax and Cess	In order to promote clean and green energy and reduce the pollution burden on the capital, all Municipal Corporations of Delhi shall work towards and notify the exemption of Electricity Tax (currently 5%) for solar energy units generated, whether for self-consumption or supplied to the grid.
19.	Exemption on Open Access Charges	DERC, the State Power Department and SNA will form a joint committee to achieve this policy objective.
20.	Exemption on Conversion Charges	Residential consumers opting to implement solar plants to sell power to the grid shall be exempted from the conversion charges requirement of house tax to commercial tax.
21.	Exemption on wheeling, banking, and transmission charges	The state government in consultation with DERC shall prepare a suitable framework for exemption on wheeling, banking and transmission charges for solar electricity generated or consumed within the state.
22.	Must Run status	All solar power systems shall be treated as 'Must Run' power plants and shall not be subjected to Merit Order Rating (MOR) / Merit Order Dispatch (MOD) principles.
23.	Cross subsidy charges	According to DERC
24.	CDM Benefits	All risks, costs, and efforts associated with the availing of carbon credits shall be borne by the solar energy generating entity.
25.	Budgetary Support	To help achieve the targets in this Policy, the SNA, working with DISCOMS and/or other entities, shall undertake assessment of solar potential and project costs for public buildings and submit them to the State Government for budgetary support, as necessary.
26.	Solar Plant Developer	<ol style="list-style-type: none"> 1. Before commissioning a power plant of capacity up to 200 KWp, the consumer/installer/developer shall submit a Release Form to the DISCOM certifying that the installer performed routine safety checks and verifications. 2. Above 200 KWp system installations, consumer shall obtain a Safety Certificate from an Electrical Inspector of the Delhi Government.
27.	Metering and Billing Arrangements	The metering and billing arrangement should comply with DERC Net Metering Regulations and Guidelines and also Central Electricity Authority (Installation and Operation of Meters) Regulations and its amendments, as applicable.
28.	Evacuation Facility	<ol style="list-style-type: none"> 1. Directives issued by DERC shall govern the voltage of evacuation of the electricity from solar plants. 2. The connectivity of solar plants with the electrical grid at voltage level 33kV and above shall be governed by DERC Net Metering Regulations and Guidelines, Central Electricity Authority (Technical Standards for Connectivity to the Grid) Regulations, 2007 and amendment thereof whereas the connectivity of the solar plants with the grid at voltage level below 33kV shall be governed by the Central Electricity Authority (Technical Standards for Connectivity of Distributed Generation Resources) Regulations, 2013, as amended from time to time.
29.	Monitoring of Parameters	Developers of all solar plants above 1 MW capacity shall need to install necessary equipment to monitor solar irradiance, wind speed, ambient air temperature, and electricity generated and injected into the electricity system or self-consumed from the solar plant.