

# Policy for Grid-connected Power Projects based on New and Renewable (Non-conventional) Energy Sources – 2015, Maharashtra, Dated: 20.07.2015

Sl. No.	Description	Summary
1.	<b>Nodal agency</b>	Maharashtra Energy Development Agency (MEDA)
2.	<b>Target</b>	<p>The following envisages setting up of grid-connected renewable power projects as per the following:</p> <ol style="list-style-type: none"> <li>a) 5000 MW of Wind Power Projects</li> <li>b) 1000 MW of Bagasse -based Co-generation Projects,</li> <li>c) 400 MW of Small Hydro Projects,</li> <li>d) 300 MW of Biomass-based Power Projects,</li> <li>e) 200 MW of Industrial Waste-based Power Projects</li> <li>f) 7500 MW of Solar Power Projects</li> </ol>
3.	<b>Wind Power Projects</b>	<ol style="list-style-type: none"> <li>1. In total 5000 MW Capacity, 1500 MW capacity would be developed for meeting the procurement requirement of distribution licencees under the Renewable Purchase Obligation (RPO) regime.</li> <li>2. The wind power projects under this policy are exempted from obtaining NOC / consent from the Pollution Control Board.</li> <li>3. The capacity of about 1350 MW commissioned after the expiry of previous policy would be included in the procurement target of 1500 MW.</li> <li>4. Remaining 3500 MW capacity will be developed for captive/group captive use outside the state or for third party sale outside the state or for participating in the the Renewable Energy Certificate (REC) mechanism. The open access permission will be provided as per the regulation of the respective Electricity Regulatory Commission.</li> <li>5. The supervision charges for setting up of evacuation arrangement will not be levied in wind power projects.</li> </ol>
4.	<b>Bagasse / Agricultural Waste based Co-generation Power Projects</b>	<ol style="list-style-type: none"> <li>1. After fulfilment of Renewable Purchase Obligation of the distribution licensee, the project developers will have the option of captive use or third party sale within or outside the state. The option of Renewable Energy Certificate mechanism will also be available.</li> <li>2. The supervision charges for setting up of evacuation arrangement will not be applicable.</li> <li>3. Electricity duty will not be levied for the first 10 years in respect of the bagasse / agricultural waste based co-generation power projects established under this policy for captive use.</li> <li>4. The infrastructure clearance for the bagasse / agricultural waste based cogeneration power projects under this policy will be given by MEDA.</li> </ol>
5.	<b>Small Hydro Power Projects</b>	<ol style="list-style-type: none"> <li>1. After fulfilment of Renewable Purchase Obligation of the distribution licensee, the project developers will have the option of captive use or third party sale within or outside the state. The option of Renewable Energy Certificate mechanism will also be available.</li> <li>2. The project developer will undertake, with own expenditure, the erection work of LV, HV and EHV sub-stations as well as laying of transmission and distribution lines required for the project in line with the technical specifications</li> </ol>

		<p>and estimates approved by MSETCL / MSEDCL and the work will be done under their supervision.</p> <ol style="list-style-type: none"> <li>3. Expenditure on evacuation arrangement: The amount of expenditure on evacuation arrangement payable as financial assistance from the green cess fund will be the amount as per the estimate approved by MSETCL / MSEDCL or as per the expenditure actually incurred, and verified by the MSETCL / MSEDCL, whichever amount is less.</li> <li>4. The project developer/ The project holder as per availability of funds will be given financial assistance by MEDA as reimbursement from the green cess fund upto a maximum of Rs. 1 crore per project for expenditure made on evacuation arrangement.</li> <li>5. A capital subsidy of Rs. 50,000 per kW of generation capacity, subject to a maximum of Rs. 1 crore per project will be given from green cess fund, by MEDA.</li> <li>6. Electricity duty will not be levied for the first 10 years in respect of the small hydro power projects established under this policy for captive use.</li> <li>7. The evacuation arrangement would include the 11 KV and above lines from the project site to be connected to LV, HV and EHV sub-stations.</li> </ol>
6.	<b>Biomass based Power Projects</b>	<ol style="list-style-type: none"> <li>1. After fulfilment of Renewable Purchase Obligation of the distribution licensee, the project developers / project holders will have the option of captive use or third party sale within or outside the state. The option of Renewable Energy Certificate mechanism will also be available.</li> <li>2. The project developer will undertake, with own expenditure, the erection work of LV, HV and EHV sub-stations as well as laying of transmission and distribution lines required for the project in line with the technical specifications and estimates approved by MSETCL / MSEDCL and the work will be under their supervision.</li> <li>3. The evacuation arrangement would include the 33 KV &amp; above lines from the project site to be connected to LV, HV and EHV sub-stations.</li> <li>4. The project developer as per the availability of funds will be given financial assistance as reimbursement by MEDA from the green cess fund, upto a maximum of Rs. 1 crore per project for expenditure made on evacuation arrangement.</li> <li>5. A capital subsidy of Rs. 1 crore per project will be given for biomass based power projects.</li> <li>6. Electricity duty will not be levied for the first 10 years in respect of the biomass based power projects established under this policy for captive use.</li> </ol>
7.	<b>Solar Power Projects</b>	<ol style="list-style-type: none"> <li>1. Of the target meant for development of solar power projects through MAHAGENCO on public private partnership mode, ten percent of it shall be implemented at places available along the canals, lakes, water bodies of the Water Resources department or of the local government bodies.</li> <li>2. The minimum capacity to be developed under this policy will be 1 MW.</li> <li>3. The electricity generated from these projects can be sold to the distribution licensees by competitive bidding, or it can be used for captive purpose within or outside state or for third party sale or for Renewable Energy Certificate mechanism.</li> <li>4. The solar park projects of less than 1 MW capacity may be developed if projects of minimum 250 kW capacity each are installed and combined.</li> <li>5. After scrutiny with reference to the regional plan requirements and all other relevant provisions in regard to land, the District Collector can allot upto 4 hectares of land for the grid connected solar power projects of upto 2 MW capacity. Such land will be given, without auction, on lease at 50%</li> </ol>

		<p>concessional rate, in accordance with the provisions of Maharashtra Land Revenue Code and the disposal of Government land Rules, 1971, on case to case basis and with relevant terms and conditions.</p> <ol style="list-style-type: none"> <li>6. The solar power projects under this policy are exempted from obtaining NOC / consent from the Pollution Control Board.</li> <li>7. The projects of 1 to 5 MW capacities can participate either independently or on cluster basis in the competitive bidding, if the projects are geographically near each other and if it is technically feasible to do so.</li> <li>8. The supervision charges for setting up of evacuation arrangement will not be applicable.</li> <li>9. Electricity duty will not be levied for the first 10 years in respect of the solar power projects established under this policy for captive use.</li> </ol>
<b>8.</b>	<b>Industrial Waste based Power Projects</b>	<ol style="list-style-type: none"> <li>1. After fulfilment of Renewable Purchase Obligation of the distribution licensee, the project developers will have the option of captive use or third party sale within or outside the state. The option of Renewable Energy Certificate mechanism will also be available.</li> <li>2. Project developer will undertake, with own expenditure, the erection work of LV, HV and EHV sub-stations as well as laying of transmission lines required for the project in line with the technical specifications and estimates approved by MSETCL / MSEDCL and the work will be done under their supervision.</li> <li>3. The evacuation arrangement would include the 11 KV and above lines from the project site to be connected to LV, HV and EHV sub-stations.</li> <li>4. The project developer will be given financial assistance from the green cess fund, by MEDA as per availability of funds, of a maximum of Rs. 1 crore per project for expenditure made on evacuation arrangement, as reimbursement.</li> <li>5. Electricity duty will not be levied for the first 10 years in respect of the industrial waste based power projects established under this policy for captive use.</li> </ol>
<b>9.</b>	<b>Employment strategy</b>	<p>Applicable only in Bagasse / Agricultural Waste based Co-generation Power Projects, Small Hydro Power Projects, Biomass based Power Projects, Industrial Waste based Power Projects.</p> <ol style="list-style-type: none"> <li>1. It is expected that in the direct employment given in the projects under this policy, 80% of unskilled workers and 50% of semi-skilled /skilled workers should be selected from within the gram panchayat area in which the project is located.</li> <li>2. It is expected that 2% of the total profit made by the project developer / project holder of the bagasse / agricultural waste based co-generation power project should be utilized for work under social responsibility.</li> </ol>
<b>10.</b>	<b>Terminating Option in PPA</b>	<p>Renewable power projects will have the option to terminate their existing PPA with MAHADISCOM and opt for open access, if they so desire.</p>