

F. No. 32/54/2018- SPV Division
Government of India
Ministry of New & Renewable Energy

Atal Akshaya Urja Bhawan
Lodi Road, New Delhi 110003
Dated: 23 January 2023

ORDER

Subject: Sanction for Solarization of Agricultural Feeders under Component-C of Pradhan Mantri Kisan Urja Suraksha evam Utthaan Mahabhiyaan (PM KUSUM)

With reference to demand received from various States for solarization of agricultural feeders under Component-C of Pradhan Mantri Kisan Urja Suraksha evam Utthaan Mahabhiyaan (PM KUSUM) Scheme, undersigned is directed to convey the sanction of President of India for solarization of 8000 nos. of existing grid connected agricultural pumps to Telangana State Northern Power Distribution Company Limited (TSNPDCL), hereafter mentioned as the State Implementation Agency (SIA).

2. SIA shall follow all the terms and conditions stipulated in the Guidelines of the above-mentioned Scheme issued vide Order no. 32/645/2017-SPV Division dated 22.07.2019 and amendments thereof, and Feeder Level Solarization Guidelines issued vide Order no. 32/645/2017-SPV Division dated 04.12.2020.

3. The requirement of total annual power for an agriculture feeder shall be assessed by the concerned SIA and a solar power plant of capacity that can cater to the requirement of annual power for that agriculture feeder can be installed either through CAPEX mode or RESCO mode, which will supply solar power to that feeder. For example, a feeder having annual power requirement of say 10 lakh units, the power can be supplied by solar power plant of capacity around 600 kW with CUF of 19%. Higher or lower CUF, depending upon the average solar insolation available in the areas, may be considered for assessing solar power capacity.

4. For the purpose of calculating CFA, the cost of installation of solar power plant has been estimated as Rs. 3.5 Cr/MW. Central Financial Assistance will be available at 30% of the estimated cost of installation of solar power plant i.e. Rs. 1.05 Cr/MW (30% of Rs. 3.5 Cr/MW). Feeders with connected agricultural pumps of any capacity can be solarized, however, feeder solarization capacity and the corresponding CFA will be worked out based on maximum agricultural pump capacity of 7.5 HP.

5. The process of tendering and signing of work agreement with EPC contractor shall be completed by the concerned SIA within six months from the date of issuance of sanction by MNRE. The maximum timeline allowed for commissioning of solar power plant by RESCO Developer will be nine months from the date of signing of PPA. SIAs shall submit progress reports and completion reports on the online portal for PM-KUSUM Scheme.

6. If implemented in RESCO mode, concerned State Government may choose to provide upfront subsidy in lieu of electricity subsidy being given to agriculture consumers. This upfront subsidy from state could be in the form of VGF to RESCO developer, in addition to 30% CFA, to supply power to farmers of an agriculture feeder at present subsidised rates or any other rate fixed by state Government. For example, if present subsidised rate for agriculture is Rs. 1.50/kWh, the RESCO developer will be selected on the basis of lowest VGF bided for supply of solar power at Rs. 1.50/kWh.

7. SIA will incentivise farmers for consuming power less than benchmark consumption. Such saving of power shall be treated as surplus power injected by farmers and they will be paid by DISCOMs against this saved power at pre-determined tariff.



8. SIA shall carry out various activities as mentioned under Section on Responsibilities of State Implementation Agency under Component-C of the Guidelines, including creating awareness about the scheme. MNRE may retain a certain amount from service charge for nation-wide centralised IEC activities.

9. Eligible CFA and service charges would be released to SIA as per provisions of Administrative Approval dated 08.03.2019 and terms and conditions stipulated in the Scheme Guidelines mentioned above.

10. The condition of domestic content requirement for solar cells has been waived off for the feeder solarization projects under Component-C for which work is awarded to the implementing company (EPC contractor in case of CAPEX or the RESCO Company) by 20.06.2023.

11. SIA shall be liable for recovery of the whole or part amount of the CFA, with applicable penal interest, in case of non-compliance of the provisions of the Scheme/Sanction.

12. In terms of Rule 230 (7) of GFR 2017 and instructions of DoE, SIAs shall record the receipt of incentives and the expenditure therefrom in the EAT module of PFMS.

13. In terms of the Rule 230 (1) of GFR, concerned SIA will certify that they have not obtained or applied for grants for the same purpose or activity from any other Ministry or Department of the Government of India or State Government.

14. In terms of provisions contained in Rule 236(i) of GFR 2017, the account of concerned SIA shall be open to inspection by the sanctioning authority and audit (both by CAG of India and Internal Audit by the Principal Accounts Office of the MNRE), whenever the organization is called upon to do so.

15. SIAs will furnish year wise Utilization Certificate (UC) in the prescribed format of GFR-12(C) and Audited Statement of Expenditure (ASoE) along with detailed progress report periodically as per provisions of the scheme.

16. As per Rule 234 of GFR-2017, the sanction has been entered at S. No. 38 & Page No. 57 in the Expenditure Register of this Division.

17. This issues with the approval of Competent Authority.


(Shobhit Srivastava)
Scientist D

To

Telangana State Northern Power Distribution Company Limited (TSNPDCL)

Copy to:

1. VC, TSREDCO
2. Principal Director of Audit, Scientific Dept., DG, ACR Building, IP Estate, N. Delhi
3. AG, CW & M.II (Science Audit), AGCR Building, New Delhi
4. Pay and Accounts Officer, MNRE
5. IFD, MNRE
6. Sanction folder


(Shobhit Srivastava)
Scientist D