

# Mini Grid Policy Uttar Pradesh, 2016

Sl. No.	Description	Summary
1.	<b>Nodal Agency</b>	Uttar Pradesh New and Renewable Energy Development Agency (UPNEDA)
2.	<b>Objectives</b>	<ol style="list-style-type: none"> <li>1. To promote decentralized generation of clean &amp; green power by harnessing renewable energy e.g. Solar, Biomass etc in the State.</li> <li>2. To put in place a conducive investment climate to stimulate private sector participation in decentralized generation of renewable power.</li> <li>3. To provide ensured power supply to nearly 02 crore households in the State to meet the minimum household needs of power e.g. lighting, fan, mobile charging etc.</li> <li>4. To reduce the investments required for development of long distance transmission lines and to reduce the line losses in power transmission resulting due to commonly low demand of electrical power in rural areas.</li> <li>5. To enhance skills and create employment opportunities at local level.</li> <li>6. To promote establishment of local manufacturing facilities and socioeconomic development of backward areas.</li> <li>7. To make available clean and sustainable electrical power to large number of domestic, agriculture and commercial establishments which are deprived of conventional grid.</li> <li>8. To reduce the consumption of fossil fuels.</li> </ol>
3.	<b>Area of operation</b>	Mini-Grid projects shall be installed in un-electrified habitations/hamlets and in contiguous undeveloped and backward rural/urban areas deprived of conventional grid or with relatively less supply of electricity.
4.	<b>Operative Period</b>	<p>10 – Years</p> <p>Mini grid projects approved during the operative period alone shall be eligible for incentives declared under this policy.</p>
5.	<b>Project Capacity</b>	Mini-Grid Projects of maximum capacity 500 kW shall be installed to electrify the households of villages/ habitations/ hamlets which are un-electrified or are having unavailability of power in peak demand hours .
6.	<b>Implementation Plan</b>	<ol style="list-style-type: none"> <li>1. The Mini-Grid Power Policy envisages the implementation of the Mini-Grid Projects in the following manners:</li> <li>2. <b>With State Government subsidy</b> <ol style="list-style-type: none"> <li>a) As per the budget available from State govt. projects shall be installed and 30 % subsidy shall be provided.</li> <li>b) Projects shall be established on Built Own Operate &amp; Maintain (BOOM) basis and 10 years mandatory operation &amp; maintenance shall be done by the developer.</li> <li>c) Subsidy shall be provided by determination of VGF standard through Standard Bidding Document.</li> </ol> </li> <li>3. <b>Restrictions</b> <ol style="list-style-type: none"> <li>a) The Land will be arranged by the Developers for the sanctioned Projects.</li> <li>b) Mandatory daily 3 hours in the morning and 5 hours in the evening total at least 8 hours supply of electricity to all willing houses in the project area, as per their domestic demand.</li> </ol> </li> </ol>

		<p>c) Daily 6 hours supply of electricity for other production and commercial needs.</p> <p><b>4. Electricity Tariff</b> Developer will charge Rs. 50/- per month for load of 30 Watt, Rs.150/- per month for load upto 100 Watt for 8 hours of daily electricity supply and for the load more than 100 Watt tariff will be on mutual consent between consumers and developer.</p>															
7.	<b>Self identified Projects by the Developers without State Govt subsidy</b>	<p>1. No subsidy shall be provided on the Self identified Projects by the developers.</p> <p><b>2. Distribution of Generated Energy</b></p> <p>a) Developer shall fulfil the energy needs for domestic use of willing families, agriculture works and small commercial establishments e.g. flour mills, shops, schools, hospitals, telephone towers, petrol pumps etc.</p> <p>b) Distribution of energy by the developer will not be restricted</p> <p><b>3. Electricity Tariff</b></p> <p>a) Developer will be allowed to charge tariff from consumers on mutual consent basis.</p> <p>b) Projects without subsidy shall also be eligible for the benefits of other Infrastructural related support, incentives provided in Industrial Policy and exit process in case of conventional grid access.</p>															
8.	<b>Exit process on the access of conventional grid in the villages/majras of the project</b>	<p>The villages covered under the installed project shall be considered as last mile stone infrastructure and on the access of conventional grid following two exit procedures will be followed:</p> <p>a) The energy generated from the plant will be received in the grid by DISCOM at the tariff decided by Uttar Pradesh Electricity Regulatory Commission/tariff decided on mutual consent. Project developer will be given priority for authorisation as a franchisee by Discom.</p> <p>b) Based on the cost benefit analysis of the installed project, the project will be transferred to the DISCOM at the cost determined on mutual consent between DISCOM and developer by the estimation of cost / profit loss of the project installed by the developer.</p>															
9.	<b>Period of Implementation of Mini Grid Projects</b>	<table border="1"> <thead> <tr> <th>Sr. No.</th> <th>RE Project</th> <th>Duration (in months)</th> </tr> </thead> <tbody> <tr> <td>1.</td> <td>Solar Energy</td> <td>6</td> </tr> <tr> <td>2.</td> <td>Biomass/Biogas</td> <td>9</td> </tr> <tr> <td>3.</td> <td>Wind Energy</td> <td>12</td> </tr> <tr> <td>4.</td> <td>Small Hydro Project</td> <td>12</td> </tr> </tbody> </table>	Sr. No.	RE Project	Duration (in months)	1.	Solar Energy	6	2.	Biomass/Biogas	9	3.	Wind Energy	12	4.	Small Hydro Project	12
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6 months time extension may be granted for delay due to actual/natural reasons at various levels.																	
10.	<b>Restrictions for the Use of Fossil Fuel</b>	<p>1. In Biomass based projects use of fossil fuel will be permissible as per the standard of Govt. of India.</p> <p>2. In absence of requisite solar energy, the Genset can be used to charge the battery bank etc in Solar Photovoltaic Plants.</p>															
11.	<b>Single Window Clearance</b>	UPNEDA will act as the Nodal Agency for Single window clearance for all Mini Grid Projects which include the task related to issuance and facilitation of															

		desired Government orders, necessary sanctions/permissions, clearances, approvals, consent etc. in a time bound manner.
<b>12.</b>	<b>Training</b>	<ol style="list-style-type: none"><li>1. To ensure the online monitoring with facility of quarterly functionality report for the projects which are greater than 50 kW capacity and installed with Government subsidy.</li><li>2. Land use, environment and stamp duty related incentives will be provided to for the sanctioned projects under Uttar Pradesh State Industrial Policy, 2012 of industries based on solar energy or renewable energy.</li></ol>