

## GOVERNMENT OF ANDHRA PRADESH

### Andhra Pradesh Solar Power Policy – 2015, Dated 12-02-2015

Sl. No.	Description	Summary
1.	<b>Order</b>	G.O. MS. No. 8 Dated 12-02-2015
2.	<b>Title</b>	Andhra Pradesh Solar Power Policy – 2015
3.	<b>Operative Period</b>	The policy shall come into operation with effect from the date of issuance and shall remain applicable for a period of 5 years/till time new policy is issued <ul style="list-style-type: none"> <li>Solar power projects (SPP) commissioned during the operative period to be eligible for the incentives under this policy for a period of 10 years from date of commissioning unless the period is specifically mentioned for any incentive.</li> </ul>
4.	<b>Eligible Developers</b>	<ul style="list-style-type: none"> <li>All registered companies, Government entities, partnership companies/ firms, individuals and all consumers of AP Discom(s) will be eligible for setting up of SPP within the state, for sale of electricity/ captive use as per EA 2003.</li> </ul>
5.	<b>Solar Power Projects</b>	
A	<b>Sale of Power to AP Discoms</b>	<ul style="list-style-type: none"> <li>Government to promote setting up SPP for sale of power to AP Discom's</li> <li>It is envisaged that Discom's will purchase 2000 MW within the next five years</li> <li>Discom's to enter into PPA of 25years with developers selected through competitive procurement process</li> </ul>
B	<b>Third party sale/captive use</b>	<ul style="list-style-type: none"> <li>Government to encourage setting up of SPP for captive use within the state or third party sale within and outside the state</li> <li>SPP to qualify for REC's as per SERC regulations</li> </ul>
C	<b>Solar Parks</b>	<ul style="list-style-type: none"> <li>Government to develop solar parks of 2500 MW in next five years to promote SPP in clusters of 500-1000 hectares</li> <li>Government to facilitate building of necessary infrastructure like power evacuation, water requirements and internal roads</li> <li>Special purpose vehicle(s) to be established for development of infrastructure and management of solar parks.</li> </ul>
D	<b>Solar Rooftop Projects</b>	<ul style="list-style-type: none"> <li>Government to promote solar rooftop systems on public buildings, domestic, commercial and industrial establishments on gross/net metering basis</li> <li>Consumer's are free to choose net/gross metering option for sale of power to Discom's</li> <li>Applicable tariff for either of the cases to be equal to average cost of serve to Discom as determined by APERC every year.</li> <li>Facility to be extended for 25 years for eligible developers who set up the project during the operative period of the policy.</li> <li>Metering facility to be available for developers who set up the project in their premises</li> <li>Project upto 1000 KWp at single location will be permitted</li> <li>Permission to be accorded to the group of persons/ societies to set up the projects and to be treated as collective generation for supply of power to households of each society/group members</li> <li>Distribution losses not to be charged from Group/Society/Individuals by the Discom's</li> <li>Eligible developers allowed to avail relevant subsidies and incentives from MNRE under JNNSM scheme</li> </ul>
6	<b>Incentives from the State Government</b>	
(a)	<b>Transmission and Distribution Charges for wheeling of power</b>	Transmission and Distribution Charges exempted for wheeling of solar power for captive use/third party sale within the state
(b)	<b>Distribution Loss</b>	Exempted for projects injecting at 33 kV or below irrespective of voltage level of delivery point within the Discom

(c)	<b>Banking</b>	<ul style="list-style-type: none"> <li>100% permitted for all captive and open access/ scheduled consumers throughout the year with banking year from April to March</li> <li>Banking charges to be adjusted in kind @ 2% of the energy delivered at the point of drawl.</li> <li>Drawls from banked energy not permitted from 1<sup>st</sup> April to 30<sup>th</sup> June and 1<sup>st</sup> February to 31<sup>st</sup> March of each financial year</li> <li>Energy injected into the grid from date of synchronisation to COD to be considered as deemed energy banking</li> <li>Banked unutilized energy to be considered as deemed purchase by Discoms at the pooled power purchase cost as determined by APERC.</li> <li>Energy settlement to be on monthly basis</li> </ul>
(d)	<b>Open Access</b>	<ul style="list-style-type: none"> <li>Intra-state open access clearance for whole tenure of the project or 25years whichever is lower will be granted as per APERC Regulations.</li> <li>In absence of any response from Nodal Agency within 21days' the application shall be considered to be deemed open access</li> </ul>
(e)	<b>Electricity Duty</b>	Exempted for captive consumption, sale to Discoms and third party sale from solar projects set up within the state
(f)	<b>Cross Subsidy Surcharge</b>	Exempted for third party sale from solar projects set up within the State for a period of 5 years from the date of commissioning of SPP
(g)	<b>Contract Demand</b>	Scheduled consumers shall avail reduction in contract demand for a period of 5 years from the date of commissioning of SPP
(h)	<b>REC</b>	<ul style="list-style-type: none"> <li>All projects developed with the above incentives eligible for REC benefits subject to Regulations/ orders.</li> <li>Deemed injection into the grid for in-house/ co-located solar generation will also be eligible for REC benefits subject to applicable guidelines</li> </ul>
(i)	<b>Grid Connectivity and Evacuation facility</b>	<ul style="list-style-type: none"> <li>Power produced to be injected at an appropriate voltage at the sub-station and or interconnection point of the APTransco/Discoms.</li> <li>Developer to bear the entire cost of construction of evacuation facilities from project to Interconnection point of and/ or upto APtransco/Discom sub-station.</li> <li>SPP exempted from paying the supervision charges to AP Transco/Discoms towards the internal infrastructure within the project site and upto the interconnection point</li> <li>AP Transco/Discoms to ensure the technical feasibility for evacuation is granted within 14 days of receipt of application</li> <li>Any upstream strengthening requirement to be borne by APTransco/Discoms</li> </ul>
(j)	<b>Deemed Industry Status</b>	Generation from SPP to be treated as eligible industry under the schemes administered by Industry Department and incentives available to the industries under such schemes shall be available to developer
(k)	<b>Deemed Public Private Partnership (PPP) Status</b>	Deemed PPP status shall be provided to projects coming under clause 5(A) above
(l)	<b>Non Agriculture Status(NA)</b>	Deemed Non Agriculture status for the land where SPP will be accorded on payment of applicable statutory fees
(m)	<b>Must run Status</b>	Injection from SPP shall be considered to be deemed scheduled subject to prevailing regulations/grid code of appropriate commission.
(n)	<b>Land</b>	<ul style="list-style-type: none"> <li>Project Developer will be responsible for acquiring the land required for the project</li> <li>In case of land owned by Revenue Department, land allotment to be done as per prevalent Government policy</li> </ul>
(o)	<b>Pollution Clearance</b>	Solar PV projects to exempted from obtaining any NOC/ Consent for establishment under pollution control laws from AP Pollution Control Board
7	<b>Nodal Agency</b>	<p>New and Renewable Energy Development Corporation of A.P. Ltd (NREDCAP).</p> <ul style="list-style-type: none"> <li>Nodal Agency to facilitate in obtaining revenue land, water allocation ,availing subsidy for solar rooftop systems, power evacuation and/or open access as per APERC Regulations and co-ordinate with concerned agencies for necessary clearances and approvals</li> </ul>

<b>8</b>	<b>Administrative Approval</b>	Eligible developers to submit applications in the prescribed format along with the registration fee: I. Rs.1000 for capacity upto 5 KWp II. Rs.5,000 for capacity above 5 KWp to 100 KWp III. Rs.10,000 for capacity above 100 KWp to 1000 KWp and IV. Rs.10,000 MW for capacity more than 1000 KWp V. In addition, a facilitation fees of Rs. 25/kW to be applicable for developer who seeks assistance from Nodal Agency for obtaining single window clearance support.
<b>9</b>	<b>Migration of projects registered under AP Solar Power Policy 2012</b>	<ul style="list-style-type: none"> <li>• Onetime opportunity to Developers registered under AP Solar Policy-2012 who have not signed PPA and not commissioned upto June,2014 to migrate to new policy</li> <li>• Developers to register with Nodal Agency within 2 months from notification of this policy</li> </ul>
<b>10</b>	<b>Project Monitoring</b>	<ul style="list-style-type: none"> <li>• A "High Level Committee" headed by Secretary, Energy Department to monitor the progress of implementation of the Solar Power projects cleared under the policy.</li> <li>• In case of any difficulty in giving effect to this policy and in interpretation to its provisions, the Committee is authorized to issue clarification and remove the difficulties.</li> </ul>
<b>11</b>	<b>Incentives for New Solar Manufacturing Facilities</b>	<ul style="list-style-type: none"> <li>• Priority allotment of Government land in solar parks on long term lease basis.</li> <li>• Exemption from electricity duty for a period of 10 years</li> </ul>
<b>12</b>	<b>Mid Term Review</b>	State Govt. may undertake review of this policy after a period of two years or as and when need arises.
<b>13</b>	<b>Power to remove difficulties</b>	Vested with the Government