

# H.P. Solar Power Policy-2016

	Description	Summary
1.	<b>Objective</b>	<ol style="list-style-type: none"> <li>1. Strengthen and sustain the Policy of 100% clean electricity consumption in the State, by providing a suitable alternative to coal and gas based power and to provide firm base load power during the sunshine time of the day , so that water in the hydro projects are impounded during day time for peaking power.</li> <li>2. Empower people in the remote and rural areas with 24x7 powers by way of decentralised solar power supply, especially in the unreliable grid systems in the mountains, to meet their basic needs, enable access to social and commercial services, and technologies</li> <li>3. Contribute to macro policies and strategies on climate change, environment protection and sustainable development.</li> <li>4. Promote investment, mainly private, so as to derive benefits of jobs, incomes, revenues and growth.</li> <li>5. Facilitate achieving RPPO by capacity creations in the State.</li> </ol>
2.	<b>Target</b>	The Govt. of India has up scaled the capacity target from 20,000 MW to 1,00,000 MW (100 GW) to be achieved by 2022, of which 40 GW is planned through roof top mode.
3.	<b>Operative Period</b>	This policy is valid up to 31.03.2022, unless modified or extended.
4.	<b>Solar Capacity Creations</b>	<ol style="list-style-type: none"> <li>1. <b>Roof Top Net Metering:</b> <ol style="list-style-type: none"> <li>a) The electricity consumers of HPSEBL shall be eligible to install minimum 1 KW to maximum 5 MW capacity solar PV plants on their building roof top or its premises which will be connected to grid with bidirectional meters, where in consumer will use solar generation for his consumption and only the drawl from grid to meet the deficit will be billed and surplus generation will be injected in the grid and consumer will be paid for this quantum by HPSEBL.</li> <li>b) HPERC has already framed Regulations and fixed tariff of Rs. 5 per unit for surplus energy, which is one of the highest tariff in the region, so as to encourage investment.</li> </ol> </li> <li>2. <b>Distributed generation by Farmers and Unemployed Youth:</b> <ol style="list-style-type: none"> <li>a) Projects up to 5 MW, other than those covered under Farmers and Unemployed youth scheme, shall also be promoted.</li> <li>b) Projects above 5 MW shall be promoted near the industrial load centres and close to EHT Sub-Stations, based on competitive bidding basis.</li> <li>c) Solar Parks of medium sizes to accommodate 50 MW to 100 MW capacities, in different load locations, will be set up under the Solar Park scheme of Govt. of India.</li> </ol> </li> </ol>
5.	<b>Incentive for Formers and Unemployed Youth</b>	In order to benefit from the Government of India (GoI) scheme of equity contribution of Rs. 50.00 lacs per MW, State will encourage Farmers and Unemployed Youth to set up projects in a distributed and dispersed manner from 500 KW to 5 MW, with priority to smaller capacities. This will creates/capacity of 84 MW, as per GoI allocations.
6.	<b>Disposal of Power</b>	1. The solar power producers are at liberty to dispose the power

		<p>generated in any manner they choose i.e. captive consumption, sale to any consumer within the State, sale to any trader or exchange or entity or consumer outside the State and sale to HPSEBL.</p> <ol style="list-style-type: none"> <li>In addition, power from smaller projects as distributed generation and larger project up to 5 MW will also be purchased to meet its RPPO and 24x7 supplies obligations in remote areas.</li> <li>Larger projects above 5 MW by IPPs or by SECI may be set up for sale of power outside the State or captive use, if not required by HPSEBL.</li> </ol>
7.	<b>Tariff</b>	<ol style="list-style-type: none"> <li>In order to encourage investment so as to gain experience and confidence in solar power generation, in the initial stages tariff for purchase by HPSEBL up to 5 MW capacities will be determined by HPERC. Regulations for this are already in place and tariff for 2015-16 is also notified.</li> <li>Tariff for above 5 MW capacities may be discovered through competitive bidding.</li> <li>Tariff for roof top installations have also been determined by HPERC.</li> </ol>
8.	<b>Interconnection with Grid</b>	<ol style="list-style-type: none"> <li>Solar projects up to 2 MW capacity shall be allowed Solid Tap connectivity in 11KV network and above 2 MW capacity, the project line has to connect to 33KV or above sub-station.</li> <li>HPSEBL and HPTCL shall ensure that solar generations do not suffer due to lack of evacuation infrastructure, for which timely planning and arrangements of adequate funds through grants and regulatory mechanism be made.</li> </ol>
9.	<b>Nodal Agency</b>	HIMURJA
10.	<b>Land Requirement</b>	<ol style="list-style-type: none"> <li>Approximate Land requirement for solar PV technology is 2 Hectares. In the hilly terrains, due to topographical considerations, maximum limit of land per MW capacity shall be 2.5 Hectare or 31 bighas or 62 Kanals, unless in exceptional situations higher quantum of land is required on unavoidable basis.</li> <li>Transfer of Private and Government lands for the purpose shall be allowed only on lease basis. Useful life of PV equipments is likely to go up to 30 years from the present level of 25 years.</li> <li>Transfer of Government land will be in accordance with Lease Rules of the State Govt. in the Revenue Department.</li> </ol>
11.	<b>Registration of Solar Projects</b>	<ol style="list-style-type: none"> <li>HIMURJA will charge processing fee(non-refundable) of Rs. 5000 per project up to 1 MW and Rs. 25000 for above 1 MW and upto 5 MW, with application.</li> <li>Permanent Registration will be done by HIMURJA on commissioning of the Project.</li> </ol>
12.	<b>Time lines or Project Development</b>	<ol style="list-style-type: none"> <li>There are no Environment clearances, survey and investigations, TECs etc. required for solar projects.</li> <li>On the part of the State Govt. and its Agencies, time lines for giving various clearances are laid down in this Policy and also by the concerned Deptts. like for Forest clearance and grant of lease of Govt. lands, permission under Section 118 of the Act for transfer of private land, Regulatory permission etc.</li> </ol>
13.	<b>Delays in Commissioning</b>	If Govt. land is leased out, completion period will be 3 years, subject to

	<b>of the Projects</b>	further extension of one year to be granted on just grounds, without any fee, failing which lease will be cancelled.
<b>14.</b>	<b>Direct Benefits to the Locals</b>	<ol style="list-style-type: none"> <li>1. Of the total employment potential in the project, at construction and operations stages, 70% employments will be provided to bonafide residents of H.P., with preference to those who transfer private land or to the right holders of the Revenue estate where Govt. land is leased out for project.</li> <li>2. Where ever Govt. land, where the right holders have community rights, is lease out for project development, 1% of the total cost of the project, as fixed by HPERC on normative basis, shall be paid to Local Area Development Fund to the community for community development works, to be decided by the community of the Right holders.</li> <li>3. Where private land is used, no such contribution is mandatory but developer may contribute to local development voluntarily.</li> </ol>