

Bihar Integrated Policy - 2016

HIGHLIGHTS

Nodal Agency	<ul style="list-style-type: none"> • Bihar Renewable Energy Development Agency (BREDA)- For renewable energy • Bihar State Hydroelectric Power Corporation (BSHPC)- For small/mini/micro hydro projects-
Applicable Technologies	<ul style="list-style-type: none"> • Biomass & Bagasse Cogeneration • Grid-connected solar PV • Rooftop PV • Floating solar PV • Canal-top solar • Small hydro • Mini grids • Solar biomass storage hybrid • Decentralized applications
Policy Period	6 years from date of order
Targets under Policy	Targeted capacity addition by 2022 <ul style="list-style-type: none"> • Solar PV - 1969 MW • Rooftop PV - 1000 MW • Biomass & Bagasse Co-gen - 244 MW • Small Hydro - 220 MW • RE Mini grids - 100 MW • Floating Solar PV - 20 MW • Deploy 10,000 solar pumps
Incentive Amount	Subsidy provided for development of mini-grids
Eligibility Conditions	All registered companies, Government entities, partnership companies/ firms, Individuals, Consortia, Panchayat Raj Institutions, Urban Local Bodies, Co -Operative or Registered Society and all consumers of Bihar state distribution companies
Registration Fees	Not Available

Net Metering	For projects 1kWp - 1MWp, with or without battery back-up
Evacuation Arrangement	Solar plants of 50MW and above - Connectivity to central transmission utility network, infrastructure costs for transmission, including metering to nearest sub-station shall be borne by BSEB (Bihar State Electricity Board).

OTHER PROVISIONS

State encourages development of solar PV on rooftops of government buildings, and development of mini-grids in areas with limited/no access to electricity.

Solar PV Projects	<ul style="list-style-type: none"> • Developers are encouraged to take part in business models under JNNSM including bundling of solar power with coal-based thermal power and VGF facilitated by NTPC/NVVN and SECI. • For projects under 2 MW, T&D infrastructure will not be provided. Developers shall utilize existing infrastructure to evacuate to the nearest sub-station. • Projects between 0.5 to 2 MW, in multiples of 100 kW capacities, can be set up by land-owning farmers, cooperatives, societies, gram panchayats, block panchayats, municipalities, MSME units, etc., for sale of power to DISCOM at BERC-determined tariff on 'first-come, first-served' basis. • Developers can set up projects under REC mechanism, and the power from it shall be purchased by DISCOMs at average pooled cost as determined by BERC. Projects can be set up for captive use, or sale of power to 3rd party, or to states other than Bihar, through open access mode.
Rooftop solar PV	State govt. will approve and mandate utilization of all government/municipal office building roofs for implementation of rooftop PV projects. Site due diligence and project implementation request will be put up by BREDA to the concerned government department. BREDA will also issue model lease agreements and Power Purchase Agreements (PPA) to be signed between project developer and land-owner, and between project developer and DISCOM, respectively.

<p>Solar Rooftop Gross/ Net metering</p>	<p>Four models for net-metering facilities:</p> <ul style="list-style-type: none"> • All government building rooftops will be utilized for installation of PV under gross metering or FiT scheme. The state commission will set the tariff for buy-back price under PPAs mechanism. If a government department/body prefers net-metering they may do so after written communication to BREDA. • Net metering consumers include individual households, industries, commercial establishments, institutions, residential complexes, etc. The metering arrangement, energy accounting, settlement, etc., shall be governed by Net-Metering Regulations 2015. • Sale of power to captive consumers or third party is encouraged. • For availing benefits under central schemes, BREDA will facilitate implementation of such projects and assist private players in liaising with DISCOMs or other players.
<p>Mini-grid projects</p>	<p>Installation target is of at least 3000 RE based mini-grid projects in the state with cumulative capacity of 100 MW. The implementation modes for project developers are:</p> <ul style="list-style-type: none"> • BREDA under the central government scheme (DDUGJY-DDG) - Tendering model. • BREDA under the state government scheme - State subsidy model. • Directly by project developers or service companies - ESCO model (without state subsidy). <p>All projects in subsidy and non-subsidy mode shall be implemented on a Build, Own, Operate and Maintain (BOOM) basis. The state govt. will develop certain mechanisms for enabling single window clearance, right-of-way, extending eligibility for infrastructure-related support and incentives as per the industrial policy etc., and for securing project investments through suitable exit options in case the grid arrives.</p> <p>The developer will principally be offered three options for exit:</p> <ol style="list-style-type: none"> a) Continue to operate standalone, i.e. parallel to the grid. b) Sell excess or all power to local DISCOM at a tariff determined by the Regulator. c) Transfer the project to the local DISCOM. DISCOM should explore the opportunity of working in a franchisee mode with the developers. <p>BREDA shall issue detailed implementation guidelines. BERC in consultation with BREDA and DISCOMs shall issue a mini-grid regulatory framework.</p>

Incentives	<ul style="list-style-type: none"> • Distribution losses shall be exempted for power projects injecting at 33 kV or below, irrespective of voltage-level of the delivery point within the distribution company Banking of energy shall be permitted for all OA/captive consumers, 12 months of the year. Banking charges shall be adjusted @2% of energy delivered at the point of drawal within DISCOMs of Madhya Pradesh, Chhattisgarh, Jharkhand, Maharashtra etc. • Electricity duty exempted for captive consumption/third party sale/sale to DISCOM(s) for almost all states. • Cross subsidy surcharge is exempted for third party sale for upto a period of five years from date of commissioning for almost all states. • Scheduled consumers shall avail reduction in contract demand for a period of five years from date of commissioning. • Exemption of VAT, entry tax/octroi on all equipment purchased for RE projects.
Mandatory use of RE sources	The Government of Bihar shall issue amendments to the Building Rules, making the use of solar water heating systems mandatory for all designated new houses/buildings/marriage halls/hotels/hostels etc. with an area of more than 350 m2,including industries with hot water boiler/ steam boiler using fossil fuel. Large industries having 1000 kVA and above as connected load, will have to install solar PV projects to offset some of their electricity demand.
Provision for policy review	Will be evaluated for impact assessment at least twice during the six years of operative period. The second evaluation will be undertaken during FY 2022 for assessment of policy continuation or extension.
Links	http://breda.in/renewable_energy.html
References	http://berc.co.in/images/pdf/notice-adv/draft_min%20grid%20regulations.pdf http://berc.co.in/images/pdf/notice-adv/draft_min%20grid%20regulations.pdf