

# Scheme for Enhancement of Capacity from 20000 MW to 40000 MW for Development of Solar Parks and Ultra Mega Solar Power Projects

## HIGHLIGHTS

<b>Nodal Agency</b>	:	Solar Energy Corporation of India (SECI)	
<b>Applicable Technologies</b>	:	Solar based electricity generation technologies	
<b>Eligible Entities</b>	:	All states and union territories	
<b>Scheme Period</b>	:	2017-18 to 2018-19	
<b>Incentives</b>	:	Particulars for Incentives	Amount of Incentive
		DPR Preparation	<ul style="list-style-type: none"> <li>• Up to Rs.10 lakh - up to 100 MW</li> <li>• Up to Rs.15 lakh - between 100 MW and 500 MW</li> <li>• Up to Rs.25 lakh - more than 500 MW</li> </ul>
		Project Grant	Up to Rs.20 lakh/MW or 30% of the project cost including grid-connectivity cost, whichever is lower.
		Management fees	1% of the grant released to SECI
<b>Evacuation Arrangement</b>	:	<ul style="list-style-type: none"> <li>• SPPD - Pooling stations and network within park.</li> <li>• CTU/STU - Transmission network outside the park.</li> </ul>	

## OTHER PROVISIONS

Business Models for Project Development	:	<b>Developer</b>	<b>Land Ownership</b>	<b>Model</b>
		State designated nodal agency (SNA)	Government or private	State government public sector undertaking or special purpose vehicle of state government.
		JV between SNA and SECI	Government or private	50% equity from SNA and 50% from SECI.
		SECI designated as SNA by the state	Government or private	Mutually agreed terms.
		Entrepreneur	Yes	Quoted price of developed land + O&M cost per MW.
			No	Land development cost + O&M cost per MW.
		CPSUs	Yes	Propose to develop the park on its own or through EPC mode/select SPPD based on land development cost + O&M cost per MW.
			No	Select SPPD based on quoted price of developed land + O&M cost per MW.
<ul style="list-style-type: none"> <li>• Entrepreneurs are allowed to build solar parks without central financial assistance subject to minimum capacity of 100 MW, or minimum capacity of 50 MW in hilly states and states where there is acute shortage of agricultural land.</li> </ul>				
Land Acquisition/Site Selection	:	<ul style="list-style-type: none"> <li>• To be identified by the state/UT government unless SPPD has its own land.</li> <li>• Private entrepreneurs may be allowed to select land for their own project.</li> </ul>		

Financial Model	:	<ul style="list-style-type: none"> <li>• SPPD may sell or lease lands for a period of thirty years or as per the state government policy, to the project developers.</li> <li>• One-time registration fee.</li> <li>• 10% advance - after 50% of the land is acquired.</li> <li>• 25% advance - when all the land is acquired.</li> <li>• 10% advance - when the land would be developed.</li> <li>• Final 15% - when the land is allotted to the developer.</li> </ul>
Milestones for MNRE grant to SPPD	:	<ul style="list-style-type: none"> <li>• 20% - after not less than 50% of the land is acquired.</li> <li>• 20% - financial closure.</li> <li>• 20% - award of work for pooling stations.</li> <li>• 25% - receipt of material on site for pooling stations.</li> <li>• 15% - completion of construction of pooling stations and land development.</li> </ul>
Milestones for MNRE grant to CTU/STU	:	<ul style="list-style-type: none"> <li>• 50% - on award of work</li> <li>• 50% - on successful commissioning</li> </ul>
Links	:	<a href="https://mnre.gov.in/node?page=8">https://mnre.gov.in/node?page=8</a>
References	:	<a href="https://mnre.gov.in/file-manager/UserFiles/Scheme-for-enhancement-of-capacity-to-40GW-Solar-Parks.pdf">https://mnre.gov.in/file-manager/UserFiles/Scheme-for-enhancement-of-capacity-to-40GW-Solar-Parks.pdf</a> <a href="https://mnre.gov.in/file-manager/UserFiles/OM-Modification-in-Mode-IV-Solar-Park%20Scheme-&amp;-Category.pdf">https://mnre.gov.in/file-manager/UserFiles/OM-Modification-in-Mode-IV-Solar-Park%20Scheme-&amp;-Category.pdf</a>