



**SOLAR POWER DEVELOPERS ASSOCIATION**

910, 9th Floor, Surya Kiran Building, 19, Kasturba Gandhi Marg, New Delhi- 110001

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**SPDA/PG/2020/247**

**December 21, 2020**

**To,**  
**Shri Indu Shekhar Chaturvedi**  
**Secretary**

Ministry of New and Renewable Energy  
Government of India.

**Subject: Regarding issues faced by Solar Power Developers for implementation of Solar Rooftop projects being administered under Central Government bid schemes on various government buildings in Gujarat**

Dear Sir,

Greetings from Solar Power Developers Association.

In a short period, India has installed 90 GW of renewable energy capacity, which has set the country on a new paradigm of Green Energy under the dynamic leadership of Hon'ble Prime Minister Shri Narendra Modi.

The Solar Photovoltaic Rooftop has emerged as a potential area to augment decentralized solar power to reduce reliance on conventional fossil fuel-based energy. With a strong commitment to increasing the renewable sources-based energy capacity to 175 GW by 2022, India has a target to install 100 GW of Solar Energy, of which 40 GW was planned to be implemented under the Rooftop program. The progress has been extremely slow due to various issues faced by developers across the country.

Through this letter, we would like to be to your kind attention to the issues being faced by Solar Power Developers in the implementation of the Rooftop program specifically in the State of Gujrat that are mentioned below:

**1. Net Metering**

Net metering is one of the most significant enablers for expansion for the Solar PV Rooftop plants. It allows the owners of Rooftop plants to sell excess power to the grid and maximizes the capacity. However, States like Gujarat allow net metering only for the CAPEX model, rendering the projects under the RESCO model unviable.

**2. Registration of Projects:**

To accelerate the deployment of Solar Rooftop projects, the Ministry of New and Renewable Energy (MNRE) invites bids on a Pan-India basis through their designated Public Sector Enterprises (PSEs), RE Implementing Agency for the installation of Rooftop Solar Projects on government buildings. The bids are mostly invited on RESCO models. Since the projects are being implemented through central/designated agencies, MNRE/PSE's have also facilitated the



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simplification of the approval/implementation process. For example, MNRE has issued instructions under which all Solar Rooftop projects are exempted from registration with State Nodal Agencies. However, despite MNRE's instructions, all Rooftop projects in Gujarat require registration with the State Nodal Agency, which can be avoided.

**3. Banking of Excess Power**

Banking of energy has been a common way to incentivize the RE developers. Several states allow the banking of unutilized power. However, there is no provision for the same in the State of Gujarat. SPDA believes that banking must be permitted with the provision of carrying over the banked power to next month. Also, consumption of banked power within the same financial year must be allowed, provided any unutilized energy shall be DISCOMs at the tariff determined by the Hon'ble Commission.

**4. Exemption from Cross Subsidy / Additional Surcharge**

The Rooftop Solar power plants are installed on the consumer's roof/premises, and the power generated from such plants gets consumed within the same premises. It is also essential that the sale of power under the RESCO model to such consumers is exempted from open access charges like Cross Subsidy/Additional Surcharge etc. Such charges burden the power generated from the rooftop system with additional costs resulting in the unviable project.

It is worth mentioning here that several developers have implemented Rooftop Solar Projects on various government buildings like the Ministry of Labour, Ministry of Mines, etc., under competitive bids invited by the Rajasthan Electronics Instrument Limited (CPSE designated by the MNRE) on a Pan-India basis. A lot of these projects are severely impacted due to the issues mentioned above.

**Request:**

Given the above, we request you to kindly issue a necessary advisory to the State Government of Gujarat to mandate net metering for the rooftop projects installed on the Government Buildings under the RESCO model, especially those implemented under Central Government Schemes. A detailed statement of provisions relating to Solar Rooftop deployment in various states is appended as Annexure for your kind perusal. Most of these states permit Gross and Net metering for RESCO projects. Similarly, State Government may be advised to exempt solar rooftop projects from registration with SNAs, incorporate provisions related to banking, and exemption of rooftop project from open access charges must also your kind direction towards implementing the above suggestions will be immensely beneficial for the cause of renewable energy and the success of rooftop solar projects in the country.



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We look forward to your kind support in the matter.

Thanking you.

Yours Sincerely,

Praveen Golash

Joint Secretary- SPDA

**CC:**

**To,**

**Shri Amitesh Kumar Sinha**

**Joint Secretary**

Ministry of New & Renewable Energy

Govt. of India

New Delhi



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**Annexure- I**

**STATE WISE SOLAR POLICIES AND REGULATIONS (NET METERING)**

<b>Policy Highlights/States</b>	<b>Maharashtra</b>	<b>Uttar Pradesh</b>	<b>Delhi</b>	<b>Gujarat</b>
<b>Maximum Allowed Capacity</b>	Upto 100% of the Contract Demand	Upto 100% of the Contract Demand	Upto 100% of the Contract Demand	Upto 50% of the Contract Demand
<b>Capacity capping wrt the Distribution Transformer Capacity</b>	upto 170% of the Distribution Transformer rated capacity	upto 125% of the Distribution Transformer rated capacity	upto 120% of the Distribution Transformer rated capacity	upto 165% of the Distribution Transformer rated capacity
<b>Net Metering/ Gross Metering</b>	CAPEX - Net Metering/ Gross Metering is allowed	CAPEX - Net Metering/ Gross Metering is allowed	CAPEX - Net Metering/ Gross Metering is allowed	CAPEX - Net Metering is allowed
	RESCO - Net Metering/ Gross Metering is allowed	RESCO - Net Metering/ Gross Metering is allowed	RESCO - Net Metering/ Gross Metering is allowed	RESCO - Not Allowed
<b>Energy Accounting</b>	Monthly Billing Cycle	Monthly Billing Cycle	Monthly Billing Cycle	Monthly Billing Cycle
<b>Registration with Nodal Agency</b>	Not Required	Required	Not Required	Required
<b>Surplus Energy Compensation</b>	Tariff determined by the Commission	Rs 2.00 kWh	APPC rate/tariff determined by the Commission	Rs. 1.75/kWh
<b>Banking</b>	Annual accumulation is allowed, unutilized energy shall be purchased by	Annual accumulation is allowed, unutilized energy shall be purchased by	Annual accumulation is allowed, unutilized energy shall be purchased	Monthly billing cycle, any unutilized energy shall be



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	the DISCOM at the tariff determined by the commission	the DISCOM at the determined by the commission	by the DISCOM at the tariff determined by the commission	purchased by DISCOM at Rs. 1.75/kWh
<b>Imposition of Cross-Subsidy/Wheeling Charge on Gross/Net Metering Projects</b>	Exempted	Exempted	Exempted	NA
<b>State Installed Capacity Rooftop (Oct'2020)</b>	262.5 MW	225.10 MW	167.50 MW	843.93MW
<b>MNRE Rooftop Target</b>	4700 MW	4300 MW	1000 MW	3200 MW

**STATE WISE SOLAR POLICIES AND REGULATIONS (NET METERING)**

<b>Policy Highlights/States</b>	<b>MP</b>	<b>Haryana</b>	<b>TN</b>	<b>Karnataka</b>
<b>Maximum Allowed Capacity</b>	Upto 100% of the Contract Demand	Upto 100% of the Contract Demand	Upto 100% of the Contract Demand	Upto 100% of the Contract Demand
<b>Capacity capping wrt the Distribution Transformer Capacity</b>	Upto 130% of the Distribution Transformer rated capacity	Upto 130% for LT and 115% for HT of the Distribution Transformer rated capacity	Upto 130% of the Distribution Transformer rated capacity	Upto 180% of the Distribution Transformer rated capacity
<b>Net Metering/Gross Metering</b>	CAPEX - Net Metering is allowed	CAPEX - Net Metering is allowed	CAPEX - Net Metering is allowed	CAPEX - Net Metering/Gross Metering is allowed
	RESCO - Net Metering is allowed	RESCO - Net Metering is allowed	RESCO - Net Metering is allowed	RESCO - Net Metering/Gross Metering is allowed



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<b>Energy Accounting</b>	Monthly Billing Cycle	Monthly Billing Cycle	Monthly Billing Cycle	Monthly Billing Cycle
<b>Registration with Nodal Agency</b>	Not Required	Required	Required	Required
<b>Surplus Energy Compensation</b>	Rs 2.85/KKWH	Nil	75% of the APPC rate/tariff determined by the commission or competitive bidding of whichever is less	The surplus energy shall be purchased by the DISCOM at the tariff determined by the DISCOM's
<b>Banking</b>	Annual accumulation is allowed, unutilized energy shall be purchased by the DISCOM at the determined by the commission	Unutilized energy beyond 90% of the energy consumed shall be carried forward from month-to-month basis, however, accumulation will be allowed till the end of financial year, thereafter any Lapsed energy will not be paid off.	Annual accumulation is allowed, unutilized energy shall be purchased at 75% of the APPC tariff/tariff determined by the commission or competitive bidding of whichever is less	Annual accumulation is allowed, unutilized energy shall be purchased by the DISCOM at the determined by the commission
<b>Imposition of Cross-Subsidy/Wheeling Charge on Gross/Net Metering Projects</b>	NA	NA	NA	NA



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<b>State Installed Capacity Rooftop (Oct'2020)</b>	57.61 MW	122.35 MW	247.49 MW	232.77 MW
<b>MNRE Rooftop Target</b>	2200 MW	1600 MW	3500 MW	2300 MW